



Annual Report and Accounts 2018 to 2019



Mid Cheshire Hospitals NHS Foundation Trust
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Presented to Parliament pursuant to
Schedule 7, paragraph 25(4) (a) of the
National Health Service Act 2006

Contents

1.	An Overview of Mid Cheshire Hospitals NHS Foundation Trust	7
2.	Foreword from the Chairman and Chief Executive	10
3.	Strategic Report	13
	Performance Report and Analysis 2018/19	14
	Delivery of the 2018/19 Annual Plan	16
	Financial Performance	25
	Looking Forward to 2019/20	30
4.	Accountability Report	33
	Director's Report	34
	Annual Report on Remuneration	48
	Staff Report	57
	NHS Foundation Trust Code of Governance	69
	Single Oversight Framework and Regulatory Ratings	71
	Statement of the Chief Executive's Responsibilities as the Accounting Officer of Mid Cheshire Hospitals NHS Foundation Trust	72
	Annual Governance Statement	73
	Independent Auditor's Report	80
5.	Quality Report 2018/19	86
6.	Annual Accounts	155
	Notes to the Accounts	163
	Segmental Reporting	175

An Overview of Mid Cheshire Hospitals NHS Foundation Trust



1. Overview

Mid Cheshire Hospitals NHS Foundation Trust has 559 beds, provided at Leighton Hospital in Crewe, Victoria Infirmary in Northwich and Elmhurst Intermediate Care Centre in Winsford. The Trust's purpose is to provide a comprehensive range of healthcare services to the populations of Alsager, Crewe, Congleton, Knutsford, Middlewich, Nantwich, Sandbach, Winsford and surrounding areas. Since 2016 this has included Community Services which operate from medical centres and schools across a largely rural area of southern and central Cheshire with a rapidly growing and ageing population.

This report provides the Trust with the opportunity to highlight some of the key achievements made to services and improvements to care and outcomes throughout the year. The Board of Directors consider that this Annual Report and Accounts is fair, balanced and understandable, providing the information necessary for the public, patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.



The overview provides a short summary which explains the organisation, its purpose, the key risks to the achievement of its objectives and how it has performed during 2018/19.

The services provided by the Trust include:

- Emergency and elective inpatient services
- Daycase services
- Outpatient services
- Diagnostic and therapeutic services
- Maternity
- Children's health
- Community services including preventative work.

Mid Cheshire Hospitals has a good reputation of delivering improvements in clinical outcomes, patient experience and transformational efficiencies which was evidenced in the 'Good' rating by the Care Quality Commission, following its last inspection in 2018.

The Trust works closely with its commissioners and local

authorities to address local health economy challenges to deliver high quality patient care and outcomes.

The Trust's headquarters are at:

Mid Cheshire Hospitals NHS Foundation Trust
Leighton Hospital
Middlewich Road
Crewe
CW1 4QJ
foundation.trust@mcht.nhs.uk

The Trust provides services at the following locations:

- Leighton Hospital, Middlewich Road, Crewe, Cheshire, CW1 4QJ
- Victoria Infirmary, Winnington Hill, Northwich, Cheshire, CW8 1AW
- Elmhurst Intermediate Care Centre, Roehurst Lane, Winsford, Cheshire, CW7 2DF
- Community services delivered from 26 medical centres and schools.

Our Vision:

"To deliver excellence in healthcare through innovation and collaboration"



Mid Cheshire Hospitals
NHS Foundation Trust

Our Values:



Our Behaviours:



Trust History

Mid Cheshire Hospitals NHS Foundation Trust (the Trust) was authorised by Monitor, the independent regulator, on 1 April 2008 as a Foundation Trust to provide services to people living in and around Alsager, Crewe, Congleton, Knutsford, Middlewich, Northwich, Nantwich, Sandbach and Winsford. The Trust's core purpose is to provide acute, child health, intermediate care and maternity services ensuring patient experience is at the forefront of care. Since 1 October 2016 the Trust, in collaboration with Cheshire and Wirral Partnership NHS Foundation Trust and the South Cheshire and Vale Royal GP Alliance, has also delivered community services through the Central Cheshire Integrated Care Partnership (CCICP).

Trust Structure

Alongside CCICP, the Trust operates its acute clinical services through four clinical divisions:

- Medicine and Emergency Care
- Surgery and Cancer
- Women and Children's
- Diagnostics and Clinical Support Services.

Estates and Facilities and Corporate Services divisions provide support to the clinical services.

Our Vision, Values and Behaviours

The Vision

The Vision for Mid Cheshire Hospitals NHS Foundation Trust is:

"To deliver excellence in healthcare through innovation and collaboration."

Strategic Direction

The strategic objectives for the Trust are:

- Delivering outstanding clinical quality, safety and experience
- Being a leading partner in a progressive health economy
- Striving for organisational effectiveness
- Aspiring to excellence in practice through our workforce
- Creating a 21st Century infrastructure for transformative health and social care.

The Trust developed its values in conjunction with staff and much success has been achieved by the hard work and dedication of its staff to deliver safe, high quality personal care to all patients. The Trust's aims are high - to learn from experiences to ensure reliable, continuous improvement in the quality and safety of patients.

Foreword from the Chairman and Chief Executive



2. Foreword and Overview from the Chairman and Chief Executive

Welcome to Mid Cheshire Hospitals NHS Foundation Trust's Annual Report for the period ending 31 March 2019. We are delighted to present this report to you and to outline some of our achievements and challenges during this financial year.

Each year is proving to be more challenging than the last, both in terms of financial challenges and the number of patients that we are treating. In terms of performance, we remain the second best performer in the country in relation to meeting the six national cancer targets, which is really important to us as we understand the anxiety created if patients have to wait too long for a diagnosis. We have also maintained the constitutional performance for patients waiting less than 18 weeks for elective or planned care in 2018/19 until the last quarter of this year, due to the pressures of emergency activity over the winter period. Although disappointed with the performance during winter, we still remain one of the highest performers in the country.

Although there have been significant successes and we remain proud of the Trust's performance, there has been continued prolonged pressure on Emergency Departments (ED) up and down the country over the winter period and too many of our patients have had to wait longer than we would have liked for which we apologise. Our waiting times are always likely to be longer than we would wish during peak pressures as our ED is not big enough to accommodate the needs of our increased attendances and in response to this the Board of Directors has approved a business case to double the number of majors cubicles. The business case is now waiting for national capital funding before it can progress. Once again we would like to thank our patients and their carers for their patience shown during periods of extremis and our staff who have worked above and beyond what anyone could have asked of them.

The Central Cheshire Integrated Care Partnership (CCICP) between ourselves, our local GP Alliance and local mental health trust in running community services for the populations of South Cheshire and Vale Royal is now in its third year and has achieved great things for our patients in supporting them to receive care in the most appropriate setting. You can read more about their achievements in the body of this report.

The NHS financial pressures continue and, as predicted, this year has been a particular challenge. The Trust historically consistently meets its financial obligations but this year that will unfortunately not be the case and the Trust will not achieve its Control Total. The system remains underfunded and relationships between system partners remain strong with a commitment to continue working together for the benefit of our population and to improve the financial position.

Most important to the Trust is the quality, safety and experience of care we deliver to our patients. We were therefore delighted to once again be rated as Good by the Care Quality Commission. However, our aspiration remains to achieve an Outstanding rating and we are committed to and will continue to work towards that. Our biggest disappointment this year is the number of MRSA bacteraemia that we have had. During 2017/18 we had none and in 2018/19 we have unfortunately had four. As a result of these the Trust has undertaken a significant piece of work to understand the causal factors and to put remedial action in place and ensure learning is maximised.

We are most proud that, during unprecedented pressures, our patient and staff satisfaction remains high, as demonstrated within our national staff and patient survey results, feedback from the patients' Friends and Family Test and the ever increasing number of compliments that the Trust receives. In 2019 our second national staff survey that included our community services staff was published and we were delighted to read that Mid Cheshire Hospitals NHS Foundation Trust was in the top five integrated trusts in the country for staff engagement and other areas such as staff motivation at work, the Trust's safety culture and recommending the Trust and community services as a place to work and receive treatment. This is an incredible achievement given the pressures the Trust and staff have been under during 2018/19 and I would like to extend our thanks for their dedication and commitment.

There are many developments and positive achievements that we could include in our foreword but we are sure you will enjoy reading about them in the body of our Annual Report, which also includes our Quality Account.

Before closing, can we once again pay tribute to our staff and our volunteers who freely give up their time to support our patients and carers? You have all made an outstanding contribution to the achievements recorded in this Annual Report and on behalf of the Board of Directors we thank you for your continued enthusiasm and support.

Finally, after nearly thirteen years' service as the Chief Executive, this will be my last Annual Report and Accounts for Mid Cheshire Hospitals. I leave the Trust on 31 March 2019 but know that I leave it in good hands with Dr Dodds as the Interim Chief Executive. I leave with very mixed emotions and will continue to watch the Trust and its staff grow from strength to strength. I would also like to thank you for your support, without which I could not have been so successful in my role.

A handwritten signature in blue ink, appearing to read 'D Dunn', with a long horizontal flourish extending to the right.

Dennis Dunn
Chairman

A handwritten signature in black ink, appearing to read 'T Bullock', with a stylized, cursive script.

Tracy Bullock
Chief Executive

Principle Risks and Uncertainties

The Trust continues to identify potential risks to achieving its strategic developments as part of its good governance process. The Board maintains an Assurance Framework which enables the identification, analysis and management of risk. The principle organisational risks for 2019/20 are:

- Workforce capacity and skill mix to consistently deliver high quality care, seven days a week
- The financial sustainability of the Trust
- Delivery of key local and national targets and standards, in particular the four hour transit time target
- Lack of pace in the significant transformational changes required to deliver the Cheshire East Place Strategy
- Cyber security
- The potential acquisition of The South Cheshire Private Hospital.

The Trust made preparations through 2018/19 for the potential impact of the UK's exit from the European Union, including planning for the case of a 'no deal' EU Exit, including following recommendations in the Department of Health and Social Care's EU Exit Operational Guidance. The NHS's overall approach includes planning and contingency measures being taken centrally, as well as actions that are the responsibility of individual providers. The Trust has paid particular regard to the potential impact on the workforce. In terms of governance, the Director of Workforce has been the Trust's EU Exit Senior Responsible Officer, chairing the EU Exit Working Group and reporting to the Board of Directors with other Board committees considering issues as relevant through the year. The Trust's Organisational Risk Register has recognised the potential impact of EU Exit and this has been monitored through the year by the Board and the Performance and Finance Committee.

The Trust recognises that there may be other risks or uncertainties that have not yet been identified which could impact on the Trust's future performance. The Annual Governance Statement contained within this report further outlines the Trust approach to risk, the detail of significant risk and how it manages these. The Trust has developed a clear risk mitigation strategy to deal with the external volatile environment and will continue to engage with partners in the development of such plans.

The Trust's culture is built on trust, openness and empowerment with clear lines of accountability and responsibility that have ensured learning and improvement over time. The Annual Governance Statement also includes the Trust's system of internal control which is designed to manage risk for the organisation. The Trust continues to perform well against objectives, regulatory requirements and targets and is confident in delivering these going forward.

Statement of Going Concern

Mid Cheshire Hospitals NHS Foundation Trust has prepared its Annual Plan on a going concern basis. After making enquires, the directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

The Trust recognises the significant financial challenges within the NHS and an ongoing gap of £20million in the local health economy and the risk this represents to the Trust's going concern statement. The Board of Directors remain cited on these issues and has submitted a plan for 2019/20 that indicates a £1.8million deficit; after receipt of Provider Sustainability Fund and Marginal Rate Emergency Tariff of £7.5million. 2019/20 is the first year of transitioning away from the current financial architecture and as these sums transfer into the national tariffs the underlying position is expected to be consolidated. Continued strong partnership working focused on whole health economy solutions continues to resolve the remaining gap going forward. The potential risks and impacts of the UK's exit from the EU have also been considered.

These accounts have been prepared under a direction issued by NHS Improvement in exercise of Monitor's powers under the National Health Service Act 2006. The Board of Directors at Mid Cheshire Hospitals NHS Foundation Trust understands its responsibility for preparing the Annual Report and Accounts. The Board considers the Annual Report and Accounts to be fair, balanced and understandable whilst providing necessary information for Members, patients, regulators and other stakeholders to assess the Trust's performance, its strategy and business model.

This Strategic Report is approved by the Directors and signed and dated by the Accounting Officer.



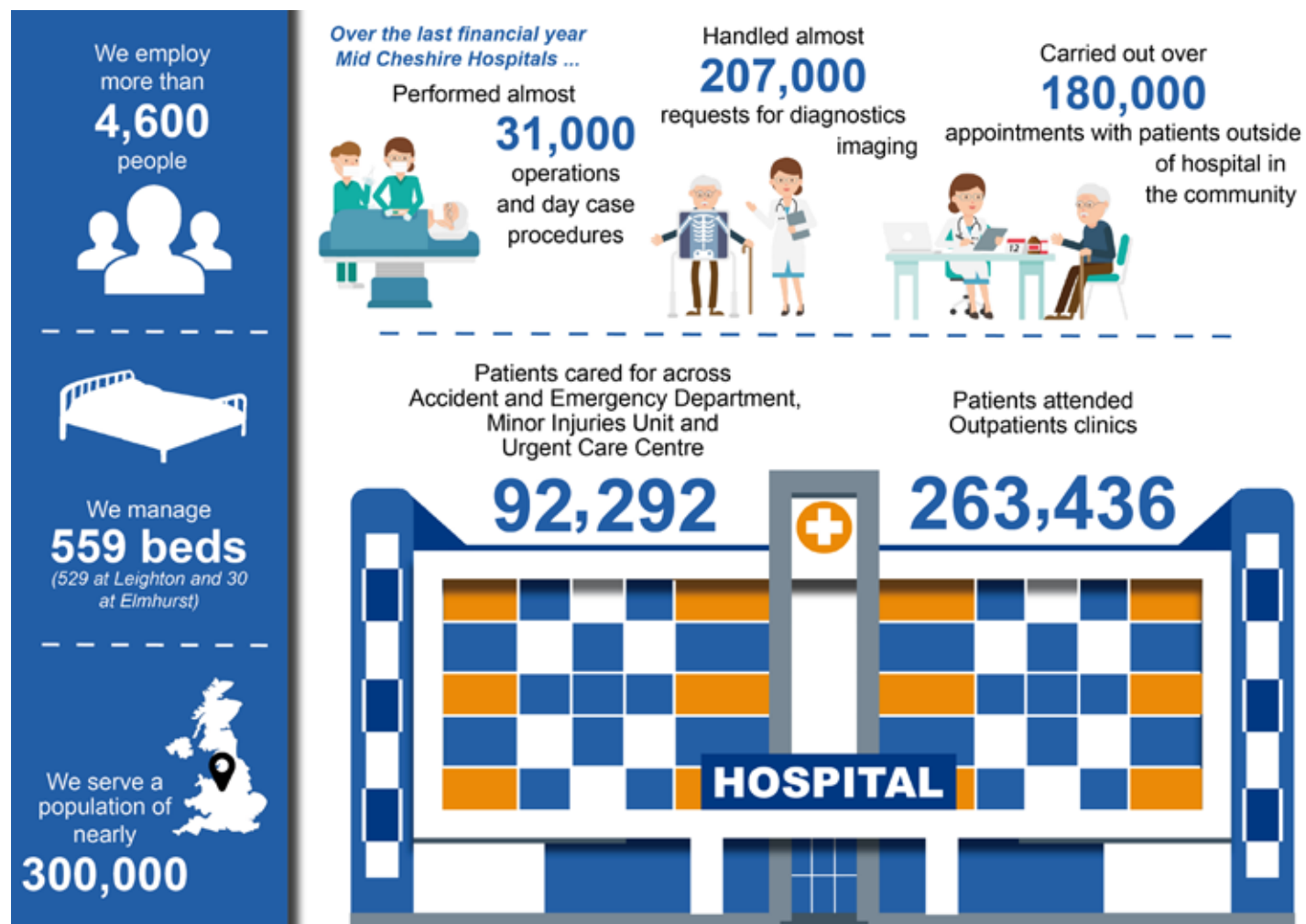
Dr Paul Dodds
Interim Chief Executive & Accounting Officer
Date: 20 May 2019

Performance Report



3.1 Performance Analysis 2018/19

The purpose of the strategic report is to provide Members with information in order that they can assess how well the directors have performed during 2018/19 to promote the success of the Trust so as to maximise the benefits for the Members of the Trust and for the public.



The Trust has made significant progress against its strategic objectives with the delivery of operational, clinical and quality standards during 2018/19.

Attendances at the Emergency Department were the highest on record for the hospital for the fifth year in a row. The number of patients attending the Emergency Department who subsequently required admission slightly decreased this year from over 39,000 in 2017/18 to 37,542. This highlights the impact a successful transformation programme and integration with community services can bring to reduce admissions and ensure that patients who don't need to be admitted medically are sent home on the same day.

2018/19 has seen an increase in levels of planned care services provided to patients from 2017/18. This increase is in part the result of an increase in referrals being received by the Trust, which has also impacted the number of attendances at outpatient clinics. The Trust's maternity services again had a busy time in 2018/19, supporting expectant mums to deliver just over 2,900 babies.

The table below details the patient activity as follows:

Key Performance Measures	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14
Emergency episodes of care requiring the use of a bed	37,452	39,248	35,109	35,617	32,698	32,679
Attendances at Accident and Emergency and Minor Injuries	92,292	87,766	86,127	84,856	84,042	82,140
Total referrals received	100,695	98,661	100,738	92,278	90,998	84,598
GP referrals received	62,247	61,030	61,815	59,049	58,183	50,456
Elective episodes requiring a procedure to be performed	30,754	30,510	34,787	31,889	28,581	28,483
Total attendances at outpatient clinics	263,436	260,278	286,143	266,698	257,410	254,626
Births	2,901	2,937	2,836	2,866	2,672	2,732
Requests for medical imaging	207,676	212,030	226,880	220,472	209,841	207,980
Average number of beds open in the year	559	556	579	569	562	561
	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14
Average % Occupancy						
Overall	94.00%	91.29%	85.27%	90.36%	87.10%	85.70%
General Medicine	96.00%	94.38%	91.75%	95.50%	87.20%	91.40%
General Surgery	88.00%	85.37%	72.69%	77.13%	85.72%	84.40%

Compliance with Mandatory Financial and Operational Standards

The Trust's operational performance is measured against national standards with performance against these standards reported to NHS Improvement. These standards are set out in NHS Improvement's Single Oversight Framework. The Trust is also regulated by the Care Quality Commission (CQC) who assess the Trust against a set of national safety and quality outcomes on patient safety, clinical outcomes and practice, cost effectiveness and governance and also a number of local safety and quality standards which are agreed with the Trust's commissioners, Vale Royal and South Cheshire Clinical Commissioning Groups.

Performance against national targets and regulatory requirements 2018/19:

National Targets and Minimum Standards	Target	Target (2018/19)	2018/19	2017/18	2016/17	2015/16
Infection Control	Number of clostridium difficile cases (Avoidable)	<= 24	2	2	3	33
	Number of clostridium difficile cases (Unavoidable)	n/a	23 (of which 5 unclassified)	17	19	
	Number of MRSA blood stream infection cases	Target <= 0 MRSA	4	5	3	0

Access to Cancer services	% of cancer patients waiting a maximum of 31 days from diagnosis to first definitive treatment	96%	98.87%	99.32%	99.80%	99.48%
	% of cancer patients waiting a maximum of 31 days for subsequent treatment (anti-cancer drug)	98%	100%	100%	100%	100%
	% of cancer patients waiting a maximum of 31 days for subsequent treatment (surgery)	94%	100%	100.00%	100.00%	100.00%
	% of cancer patients waiting a maximum of 62 days from urgent GP referral to treatment	85%	88.98%	93.70%	92.90%	91.22%
	% of cancer patients waiting a maximum of 62 days from the consultant screening service referral to treatment	90%	94.44%	97.09%	95.40%	97.94%
	% of cancer patients waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	97.13%	96.85%	98.10%	96.60%
	% of symptomatic breast patients (cancer not initially suspected) waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	95.3%	80.94%	97.90%	95.53%
Access to Treatment	18 weeks Referral to Treatment (patients on an incomplete pathway)	92%	92.39%	95.90%	94.40%	95.02%
Access to A&E	% of patients waiting a maximum of 4 hours in A&E from arrival to admission, transfer or discharge	95%	83.63%	87.12%	90.20%	93.40%
Cancelled operations	# of in-patients who had operations cancelled by the hospital for non-clinical reasons on day of or after admission to hospital	-	320	347	422	383
	# of those patients who had operations cancelled by the hospital for non-clinical reasons on day of or after admission to hospital, and were not treated within 28 days	0	40	35	40	17

The Trust achieved eight out of nine of its regulatory performance indicators for the 2018/19 financial year, the exception being the 95% four-hour transit time standard against which the Trust achieved 83.63%. Whilst this has been disappointing, it is recognised that timely admission, transfer and discharge remains a national challenge for the NHS.

The Trust has had a challenging year in relation to access standards for planned care. Successfully achieving above the national standard of 92%, the Trust was asked to reduce Referral to Treatment performance from 97% to 92%. Therefore the Trust has seen a deterioration from 95.9% to 92.38% of patients waiting less than 18 weeks for their treatment during the course of the year. With the increase in emergency pressures and the increase seen in referrals to the Trust, this performance is still a real achievement.

In terms of cancer care, the Trust has achieved and exceeded all access standards for the year in relation to timeliness of diagnosis and treatment of cancer patients. The excellent performance across all standards has been seen at all stages of the pathway, from access to a

specialist within 14 days of referral from a GP to treatment commencing within 31 days of a diagnosis being made.

2.2 Delivery of the 2018/19 Annual Plan

The Trust has introduced a significant number of initiatives and developments to enable the achievement of operational and efficiency measures in the future. The Trust runs a transformation programme which focuses on key services to improve the quality of patient care and improve the use of resources. Information about the future plans for these projects is included in section 2.9, Strategic Direction 2019/20.

Transformation Update

Surgical Transformation

A surgical ambulatory care approach has been established, enabling patients to receive timely specialist assessment that can avoid admission and ensure the right treatment by the right professional. This has resulted in a reduction in unnecessary hospital admissions and attendances to the Emergency Department.



Pictured: just some of the 2018 cohort of Return to Practice Nurses (front row) with members of staff

The SAFER patient flow bundle is being rolled out in the Trust's Surgery and Cancer Division and there have been significant improvements to the length of stay on the orthopaedic ward.

Streaming

A streaming model, which was designed to quickly connect patients with the services they need, has been introduced in the Emergency Department. The presence of a senior nurse in the waiting area and as a first point of contact has been received positively by patients and helps patients get to the right professional first time. This role is being further developed as part of this year's transformation programme.

There is an established frailty team who are able to assess patients as soon as they arrive at the Emergency Department. This helps to avoid unnecessary admissions and provide a direct expert view.

Multidisciplinary Discharge Team

The introduction of a multidisciplinary triage and an integrated web-based referral portal has ensured all partners can plan discharges with access to the same information, avoiding duplication and multiple assessments for patients. Delayed Transfers of Care have decreased significantly as a result of this work. This has allowed key partners to focus on the delivery of care and improved communication across the various clinical teams involved in complex discharge decision making and care.

#EndPjparalysis

The Trust effectively rolled out the #EndPjparalysis initiative, helping thousands of patients to get up dressed and moving, maintaining their independence while in hospital.

Outpatients

The Outpatient rationalisation programme was transferred to business as usual as the objectives of the programme had been met.

Workforce Transformation

During 2018/19 the Trust has continued to invest in Advanced Clinical Practitioner (ACP) roles which are having a positive impact on maintaining patient flow through patient assessment areas. Physician Associate roles have also been introduced to support the medical workforce.

Nurse Associates are now being trained on Medical and Surgical wards to support the nursing workforce from 2020 onwards, however recruitment to current Nurse Associate vacancies remains a challenge.

The role of the Pharmacy

Technician, which was developed in 2017/18, continues to provide valuable benefit to qualified nursing staff in the administration of medication and releasing time for other nursing duties and patient care. The role has additional benefits in educating patients on how to take their medication, savings through avoiding medication wastage, and reduced medication omission rates. The project has been nominated for Patient Safety and HSJ Awards and is seen as an exemplar by other Trusts.

The Trust has also continued to use a number of innovative solutions to maintain a safe and effective workforce such as investing in an award winning Return to Practice Programme where a number of Qualified Nurses and Midwives are being supported to return to clinical practice after a period of prolonged time away from these roles. In 2018/19 25 nurses successfully returned to the Trust.

A new pilot scheme has introduced Therapy Champions, whereby a Healthcare Assistant post on the ward rotates through into a therapy role to increase skills and understanding of the service. This role has proved highly beneficial to staff and patients and the aim is to establish this as a training post.

In terms of the temporary workforce, the Trust continues to build its internal bank of Healthcare Assistants and Qualified Nurses. This workforce is crucial to filling temporary gaps and minimising the use of agency workforce.

Finally, the introduction of technology has provided an opportunity for more staff to have access to, and control, the information the Trust holds about them and access their payslips online, both at work and via their smartphone or tablet. This builds future capacity for staff to access their training records and appraisal details in this way. An E-roster system has also been introduced which provides the Trust with an opportunity to review skills and experience across the wards to ensure the most efficient and effective deployment of nursing staff.

Key Achievements during 2018/19



*Pictured left to right:
Consultant Urological
Surgeon Rono Mukherjee,
patient Tom Hassall and
Director of Nursing and
Quality Julie Tinney cut
the cake during the Trust's
NHS70 garden party*

Community Services

The Central Cheshire Integrated Care Partnership (CCICP) was formed in October 2016 as a new and innovative collaboration with partners. The principles of CCICP are to ensure integrated care, person-centred care and services centred around care community teams. In November 2018 all core services moved into co-located care communities where a variety of health care professionals including nurses, therapists, mental health practitioners and GPs work more closely together to meet the needs of the local population without barriers of having to refer patients between teams. Since November 2018, these teams are accessed through a single phone number for each area. These are based around the key towns:

- Winsford
- Northwich
- Crewe
- Nantwich and Rural
- SMASH (Sandbach, Middlewich, Alsager, Scholar Green and Haslington).

An investment in 2018/19 of over £1million in technology has allowed staff within Central Cheshire Integrated Care Partnership access to mobile IT equipment when providing care in the community. All 400 clinical staff have been allocated a laptop and smartphone to allow them electronic access to clinical information via the same

system used by Primary Care. This has meant that live information about patients can be shared and clinicians have all the relevant information easily accessible when visiting patients in their homes

CCICP has taken on new services in 2018/19 including the Community Pain service, which has seen a decrease in waiting times for access to the service from six months to less than two weeks. Another new service has been the development of a Musculoskeletal Single Point of Access service. This has meant that patients with joint pain can now be seen quicker and by the right team the first time. The success of the new way of working has resulted in more patients being treated with physiotherapy rather than the need for referral through to secondary care orthopaedics and potential surgery.

CCICP in conjunction with the Cardiology service has introduced a weekly Community Heart Failure Clinic which has proved to be very popular with patients. The clinics are run by a GP with support from the Trust's Heart Failure team including linking into the weekly multi-disciplinary team meeting. Currently the clinics operate out of Alsager Health Centre and Dene Drive Primary Care Centre in Winsford on alternate weeks. The intention is to extend these clinics to other care communities as patients can be seen closer to home without going to hospital.



Pictured left to right: Dan Nguyen, Consultant Ophthalmic Surgeon and Alan Hubbard, Consultant Ophthalmologist, are part of the team that now allow patients with cataracts in both eyes to have them operated on during the same hospital visit

New Cataract Surgery

Pioneering surgery has been introduced at the Trust that allows patients with cataracts in both eyes to have them operated on during the same hospital visit. Traditionally, patients have had one done and then returned a number of weeks later for the second eye to be operated on. Immediate Sequential Bilateral Cataract Surgery (ISBCS) can now be offered to eligible patients which has the advantage of quicker restoration of visual function, fewer hospital visits and just one period of recovery.

NHS 70th Birthday Celebrations

Staff from across the trust celebrated the NHS' 70th birthday in July with a range of events from cake competitions, a 1950's ward and a medical exhibition detailing the history of local healthcare. Colleagues both past and present were thanked with a 'big 7tea' party hosted by the Mid Cheshire Hospitals Charity with music from local radio station This is the Cat. Visitors also signed a giant birthday card for the NHS.

Christmas Compassion Awards

Sixty staff from across the Trust were recognised in December for being kind, going the extra mile and embedding the '6Cs' which are care, compassion, competence, communication, courage and commitment.

Primary Care Streaming

The Trust implemented a streaming model in 2018 in the Emergency Department to assess patients efficiently and identify the most appropriate clinical area for ongoing care to be given. This may be Emergency Care, Urgent Care, GP or Primary Care services. This model reduces pressure within the Emergency Department by making sure that patients who need a GP or Primary Care services are streamed directly to their care. Patient safety is improved through the timely identification of the most acutely unwell patients. Initially, streaming operated on weekdays from 9am to 7pm but this was expanded in October to seven days a week from 9am to 11pm.

Orthopaedic Data Award

Leighton Hospital has been named as a Quality Data Provider by the National Joint Registry for the way it monitors and records joint replacement surgery. High quality orthopaedic data is collected in order to provide evidence to support patient safety, standards in quality of care and overall cost effectiveness in joint replacement surgery. To achieve the award staff had to meet a series of ambitious targets.

Winter Ward

Ward 19 opened in November 2018 as a designated additional capacity winter bed ward. This year a new GP-led model was trialled. The model utilises a multi-disciplinary approach with collaborative working between therapies, GPs and nursing staff to ensure patients receive the right care and support and has been successful in getting patients back home quickly. In recognition of this successful initiative, the team has been asked to present a video presentation to the Emergency Care Intensive Care Support Team (ECIST) to share with other trusts in the country.

Genexpert

In 2018 the Microbiology department introduced Genexpert, which enables the Trust to carry out influenza testing. Local testing has resulted in results being available in two hours which has had a positive impact over last winter. This supports a reduction in the spread of infection across the Trust as confirmed cases can be isolated quickly.

Diabetes Inpatient Team

Additional funding was received from NHS England Transformation to continue with a Diabetes Inpatient Team project. This funding has enabled a dedicated 'hot' clinic for high risk patients who have a foot problem due to uncontrolled diabetes. Patients have a quicker referral to the vascular team which reduces the likelihood of a patient requiring amputation in the future. The team sees patients on the wards to review their medication and to discuss lifestyle changes with patients who are not controlling their diabetes adequately. The team also supports education and training of medical and nursing staff on the wards.

Stroke Rehabilitation Award

Therapy groups have been introduced on the Stroke Unit to increase patient therapy treatments and introduce a 24-hour approach to rehabilitation. This project has been published in the National Institute of Clinical Excellence

shared learning collection. The project was presented at the North West Stroke conference and the Stroke Training and Education Day. The Team were also shortlisted as finalists for the CAHPO Nice into Action award and attended the awards ceremony in London in June 2018.

Maternity Service Ten Steps to Safety

The Maternity service was successful in achieving the 'ten steps to safety' of the Clinical Negligence Scheme for Trusts (CNST). This success demonstrated that Maternity Services are providing safe, effective care for women and their babies.



Pictured: Members of the Macmillan Cancer Unit with The Christie Quality Mark

Paper Switch Off

Members of the Medical Records team worked extremely hard to ensure that the Trust achieved 'Paper Switch Off' status with effect from 1 May 2018, ahead of the national October deadline. By implementing the required changes, it enables the Trust to receive 100% of GP referrals to first consultant-led services electronically, improving the timeliness of the referral pathway and access to outpatient services.

Urology Garden

In June 2018, Mr Thomas Hassall, a long-standing Urology patient, officially opened the patient garden. This venture was made possible through the dedication and hard work of the Urology team and was designed and created by volunteers David Williams, Sue Worthington and friends, patients and members of the public.

The Christie Quality Mark

In December 2018 the Macmillan Cancer Unit was awarded the Christie Quality Mark. This accreditation is awarded by The Christie NHS Foundation Trust to Chemotherapy Units that demonstrate achievement of a number of standards and deliver treatment to Christie patients. The award was introduced to assure patients that, wherever they receive treatment, they can feel confident that it will always be of the same high standard. These standards were assessed by a Christie multi-disciplinary team that included a patient representative. Jackie Bird, Director of Nursing from the Christie hospital, visited the Trust to present the award and a plaque to display in the waiting area. Each member of staff also received a lapel pin in recognition of their achievement.

Catering and Laundry Accreditations

Catering and retail outlets retained their five star rating for the third year running following an Environmental Health inspection in December 2018. Catering also achieved full compliance against new targets for offering healthy eating options. The Laundry service achieved ISO 9001 accreditation in July 2018.

Vague Symptoms Pathway Launched

The Trust, working in partnership with Cheshire and Mersey Cancer Alliance, launched a new Vague Symptoms Pathway in January 2019. This new pathway aims to achieve earlier diagnosis for patients that present to their GP with non-specific but concerning symptoms that do not indicate a likely primary cancer site. Often patients with vague symptoms do not meet the current urgent referral guidelines for suspected cancer or patients can already be too ill to wait for a rapid access appointment. The Vague Symptoms Navigator acts as first point of contact for GPs and works alongside the Acute Oncology team to ensure patients with 'vague symptoms' are fast-tracked for rapid diagnostic investigations. This new service aims to reduce the time to diagnosis and improve patient experience through improved communication and signposting to appropriate services when cancer is ruled out.

Bowel Cancer Screening Quality Assurance

Bowel Cancer Screening aims to reduce the mortality and the incidence of bowel cancer both by detecting cancers and removing polyps, which, if left untreated, may develop into cancer. The Cheshire Programme underwent its third Quality Assurance visit in June 2019 following previous visits in 2011 and 2015.

The service successfully passed the Quality Assurance visit which confirmed that it maintains national standards and promotes continuous improvement in bowel cancer screening. This ensures that all eligible people have access to a consistent high quality service wherever they live.

Patient Experience Network (PEN) Award

The Pharmacy department won an award for its 'To Take Out Medications' project, which won the 'Measuring, Reporting and Acting' category in the PEN Awards. Pharmacy label printers have been introduced onto a number of wards including the Acute Medical Unit which allows Pharmacy staff to dispense medications for

discharge on the wards. This saves time and reduces discharge delays.

The hospital has seven specially trained Pharmacy Technicians who can administer medications to patients on the wards. This has helped the patients get their medications on time as well as help the patient understand their medications so they have greater confidence in taking them when at home.

Allied Healthcare Professionals (AHPs) Supporting Patient Flow Collaborative

The Therapy Service joined the challenge from NHS Improvement: AHPs Supporting Patient Flow Collaborative (Cohort 2) to implement a change in practice within 90 days that will prevent patients from being admitted to hospital unnecessarily or to help patients return home from hospital sooner. The aim was to determine the benefits of therapy assessments for people attending A&E who were experiencing problems with mobility, falls or activities of daily living. An Occupational Therapist and a Physiotherapist were relocated to A&E in order to screen patients and identify those who may benefit from therapy assessment. If these patients were medically safe to return home they were supported with an individualised plan that could include the provision of walking aids or bathroom equipment or referral to community based services. During the three week pilot the number of patients discharged on the same day went from 20% to 68%.

The key benefits have been:

- More patients have avoided admission and have returned safely to the community
- The concerns and wishes of the patient and family are heard and they are involved in planning
- Improved team working with the A&E staff, social services and community health services to ensure that there is the right support for the patient at each stage.

This pilot has changed the approach to the management of risk by supporting a 'Home First' approach. Previously people were admitted to hospital due to concerns about how they would manage at home. Therapy assessment aimed to return the patient home, by understanding the possible risks at home and identifying and putting into place support that is needed. Since the success of the pilot, therapists have remained based in A&E.

Emergency Preparedness

Emergency Preparedness, Resilience and Response (EPRR) involves building resilience within MCHFT by assessing what key products, services and critical activities are required to maintain the Trust's business' operations. All areas develop their own business continuity plan so that they can respond as part of a wider Trust command and control framework. In order to ensure that plans are fit for purpose they are regularly reviewed and tested and valuable lessons are learnt and incorporated into revised plans.

Refurbishments

Paediatric Ward

The newly refurbished, state of the art Children & Adolescent (CAU) Unit (Ward 17) is now completed, offering a much improved patient experience. Some of the key features within the ward are a four bed high dependency unit, en-suite facilities, ocean themed wall art and 'sky ceilings' and nurse touch down bases. In addition to this, there are specially designed areas for children with mental health needs, ensuring patients are cared for in the most appropriate environment. Thanks to a number of fundraising events and support of local businesses the outdoor space has also been enhanced for patients to enjoy whilst in hospital.

A&E Primary Care Streaming Project

External funding was provided to improve the streaming of patients at the front end of the A&E department. The area was completely refurbished and opened up with new seating provided. The children's play area was improved and reduced in size allowing for an additional office and triage room to be provided. A new reception desk provides a focal point with security glazing to help protect the staff. The toilets were also upgraded whilst the area was out of use. The area was reoccupied at the end of November 2018.

Bistro Extended

Leighton Hospital's Bistro was extended to meet demand. A breakfast bar area has been added and a separate staff section was removed so staff can sit in any area with their own lunches. This gives an additional capacity for seating of over 40 seats and additional vending and out of hours services and was funded from income raised through the retail outlets

2018/19 Consultations

During 2018/19 the Trust held a programme of both staff and public engagement sessions to engage with the local community about the Quality and Safety Improvement Strategy 2019-2020. The engagement sessions gave the Trust the opportunity to share achievements and check with people whether the Trust is focusing on the right themes and priorities and what else should be considered. Staff held displays in the Trust and out and about in the local community. In total 75 people responded face to face and 194 members completed online surveys. All the suggestions will be reviewed by the Quality and Safety Improvement Group.

The Trust also launched a Maternity Voices Group in Crewe to understand patient's experience of Maternity Services.

2.3 Patient Care Environment

Patient-led Assessment of the Care Environment (PLACE) puts patients' views at the centre of the process with assessments carried out throughout the Trust's premises against: privacy and dignity, dementia friendly, cleanliness, general building condition and food. The results of these assessments identify how well hospitals are performing nationally against the areas assessed. The table and graph below show the scores achieved and a comparison with the national average score in each category.

The Trust scored above national average across all three food categories.

Cleanliness, condition and privacy & dignity scores are within 1% of the national average. There were some specific issues in cleaning which have now been addressed. The one Trust-wide theme was the availability

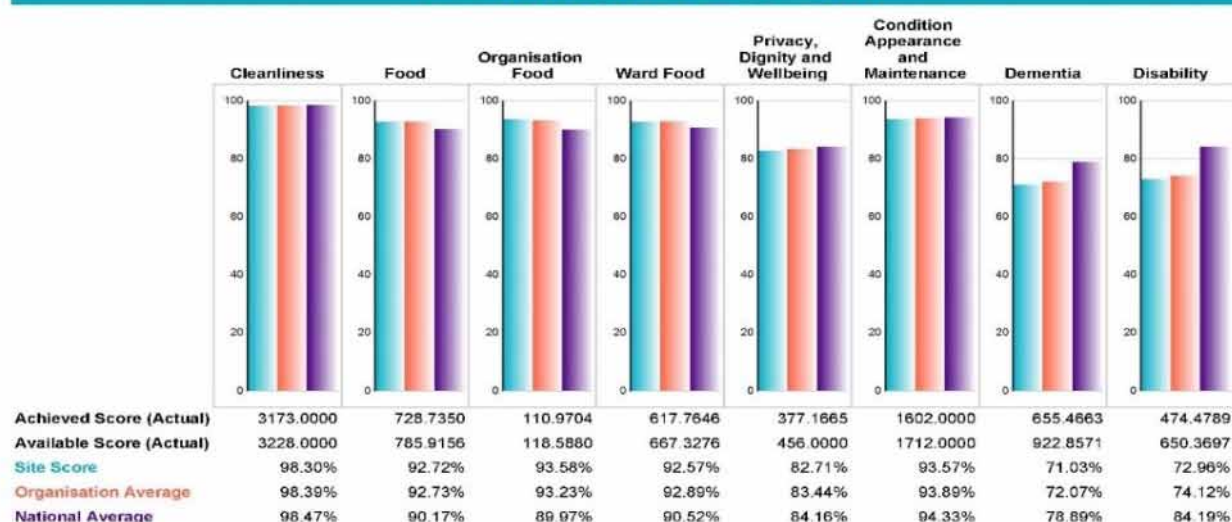
of bacterial hand gel at the bedside. Condition scores were affected by the non-refurbished areas and the Trust continues to progress the refurbishment programme to address this. Privacy & dignity scores were affected by the removal of the bedside entertainment system, lack of hearing loops and audible appointment systems.

The areas requiring most improvement are the dementia care and disability categories. Some of the issues will be addressed by the Trust Dementia strategy, which is due to be implemented across the Trust in conjunction with the major charity appeal.

An action plan has been developed which includes both strategic and operational actions. A PLACE action group was set up to action the operational plan and identify if there were initiatives already being planned which would address the strategic issues.

	Cleanliness	Food	Org Food	Ward food	Privacy & Dignity	Condition	Dementia Care	Disability
National average	98.47%	90.17%	90.00%	90.50%	84.16%	94.33%	78.89%	84.19%
Leighton and VIN	98.30%	92.72%	93.58%	92.57%	82.71%	93.57%	71.03%	72.96%
Elmhurst	100.00%	92.81%	87.37%	98.22%	95.83%	99.31%	89.80%	93.97%
MCHFT	98.39%	92.73%	93.23%	92.89%	83.44%	93.89%	72.07%	74.12%

LEIGHTON HOSPITAL- Collection: 2018



2.4 Sustainability

The UK Government's Climate Change Act 2008 sets legally binding targets for the UK to reduce its carbon emissions by 80% by 2050 based on a 1990 baseline datum, phased in as below:

- 34% by 2020 from 1990 baseline
- 50% by 2025 from 1990 baseline
- 80% by 2050 from 1990 baseline.

In order to deliver this the Trust is working towards the targets within its Sustainable Development Management Plan (SDMP) and this broadly follows the NHS Sustainable Development Unit (SDU) initiatives to actively raise carbon awareness at every level of the organisation and to achieve zero general waste to landfill by 2020. The Trust is committed to minimising the impact of its activities on the environment.

The table below highlights the changes over the last year with regard to waste management:

Definition	Tonne 2017/18	Tonne 2018/19	Disposal Cost 2017/18	Disposal Cost 2018/19
Total amount of waste produced by the Trust	1,157	1,200	247,552	324,361
Method of disposal (Landfill)	442	491	66,364	54,924
Method of disposal (Heat treated then deep land fill)	313	175	112,752	54,877
Method of disposal (Incinerated then deep landfill)	197	331	35,950	174,185
Method of disposal (Recycled)	205	201	32,485	36,066

Summary Position – Waste Management

- Waste produced has increased by 3.58%. This is due to increased activity in the Trust
- Waste going to landfill has increased by 9.97%
- Heat treated waste has decreased by 43.8%
- Incinerated waste has increased by 42.02%
- Recycling has decreased by 1.95%

Finite Resources

The Trust is committed to meeting overall government (and NHS) carbon reduction targets and minimising the use of finite energy resources.

The table below highlights the changes over the last year with regard to finite resources:

Definition	Consumption 2018/19	Consumption 2017/18	Cost 2018/19	Cost 2017/18
Water	165,950 m ³	166,808 m ³	£461,838	£441,735
Electricity	11,078,701 kWh	11,006,020 kWh	£1,364,976	£960,983
Gas	32,897,367 kWh	36,317,258 kWh	£889,344	£848,046
Oil	148,601 kWh	140,271 kWh	£8,147	£6,635

Summary Position – Finite Resources

- Water usage has decreased by 0.51%
- Electricity consumption has increased by 0.66%
- Gas consumption has decreased by 9.42%
- Oil consumption has increased by 5.94%.

2.5 Health and Safety

In 2018/19 there were 12 staff incidents reportable to the Health and Safety Executive (HSE) as required by the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR). One of these was a late report relating to a 2017 incident and three of the incidents were related to a member of staff working for Central Cheshire Integrated Care Partnership (CCICP). This compared to seven reported RIDDOR incidents in 2017/18, one of which related to a member of staff working for CCICP. There were no visitor or patient incidents reported under RIDDOR in 2018/19 compared to one patient incident in 2017/18.

The number of Health and Safety incidents reported in 2018/19 increased by approximately 2.5% compared to the previous year (from 1141 to 1170). There was a 0.6% increase in the number of 'No Harm' incidents reported for the Trust compared to the previous year (from 787 to 792) and up 19% for CCICP (from 21 to 25). The rate of non-patient 'Harm' incidents reported increased by 6.7% for the Trust compared to the previous year (from 354 to 378) and up 6.25% for CCICP (from 16 to 17). The Trust completed enabling works on Ward 12 (asbestos removals and soft strip) for the ward to undergo refurbishment with a completion date of August 2019.

There was an indepth review and revision of the Trust Risk Management Strategy & Assurance Framework which included the introduction of new systems and processes for the management of workplace health and safety risks and the implementation of these during 2018/19.

During 2018/19 the Trust re-ran the Safety Culture Survey. The results were generally positive with no specific departmental hotspots identified. Improvement plans will be developed at a divisional level in response to suggestions made by staff for local improvements.

The Trust supported a business case in 2018 to employ a 0.5 FTE Moving and Handling Trainer/Adviser to support the needs of Central Cheshire Integrated Care Partnership (CCICP) to deliver moving and handling training and to support managers in undertaking local assessments. A programme of practical patient handling training for CCICP commenced in September 2018.

Cheshire Fire Authority undertook their annual audits of Leighton Hospital, Victoria Infirmary and Elmhurst Intermediate Care Centre and made no recommendations, reporting that they were impressed with the management of fire safety observed.



The Trust received the Royal Society for Prevention of Accidents Award (RoSPA) 2019 Gold Award for its performance in 2018. RoSPA states that typically the Gold Award is achieved by those organisations demonstrating:

- Excellent Occupational Health and Safety Management systems
- (including strong audit systems) and culture
- A rigorous approach to occupational health
- High levels of compliance with control measures evidenced by active monitoring for principle risks
- Low/reducing rates of error (incidents and near misses)
- No work related fatal or major incidents or significant enforcement issues.

2.6 Financial Performance

In line with the Group Accounting Manual, the accounts of the Trust's principal charity have been consolidated with the Trust's Accounts. The Trust's Accounts have been separated out throughout the financial statements with the column headed 'group' reflecting the consolidated performance.

A summary of the Trust's charitable accounts can be found in note 36 of the accounts, which show a net outgoing in year of £39,000, with retained funds at the end of the year of £848,000, of which £3,000 is held in cash and £622,000 in Investments. The remaining balance is held in debtors and creditor balances.

The Charitable funds balance has remained reasonably static in year with a small reduction of £39,000.

Overview of the Foundation Trust Performance

There is no doubt that 2018/19 represented a significant financial challenge for the NHS and in particular the hospital providers, with the impact of sustained efficiency expectations coupled with the growing demand and the need to maintain and improve the quality of care delivered. The Trust began the year with an expected operational surplus of £5.2million after planned support of £8.3million through the Provider Transformation Fund (PSF). The Statement of Comprehensive Income (SOCi) shows the final *deficit* of £4.5million. However, this position has been impacted by a technical impairment of £5.5million caused by a property revaluation. Adjusting for this technical item gives a comparative normalised position of £1million surplus against the initial £5.2million planned surplus.

The key reasons for the variance are:

- Net reduction in PSF of £1.2million compared to plan due to failure to deliver the required four hour standard compliance and failure to deliver quarter four financial target
- Costs of additional escalation beds during the year as a result of non-elective bed pressures which in turn drove greater agency costs of £2million
- Lost contribution of £1million from treating patients from Wales due to the change in waiting list targets for English patients which required additional capacity.

On the SOCi there is a further negative adjustment of £1.2million relating to the assets that have been revalued which still have a positive revaluation reserve and therefore don't impact directly on the Trust's financial position.

Following the success of the Capped Expenditure Programme in 2017/18 the principles of working together as a system have been continued. It is pleasing to note that, as well as the Trust delivering a surplus, the Trust's main commissioners were also able to meet their financial targets for the year. In delivering the financial position the Trust delivered a cost improvement programme of £6.1million.

Income analysis

The total income received by the Trust in 2018/19 was £256.4 million, which represents an increase of £6.3million (or 2.5%) on 2017/18. An analysis of the movement in the key income streams can be found in the table below:

Analysis of income table:

Income source	2018/19 £'000s	2017/18 £'000s	Change £'000s	%
Patient Care Activities (Acute)	198,319	191,858	6,461	3.4
Education and Training inc.	6,552	6,501	51	0.8
Non-Patient Care Services to Other bodies	9,904	9,089	815	9.0
Other Non-Clinical income	3,637	3,445	192	5.6
Sub Total	218,412	210,893	7,519	3.6
Patient Care Activities (Community Services)	28,756	27,805	951	
Other Income (Community Services)	1,451	1,251	200	
STF Funding	7,443	9,774	(2,331)	
Charitable Contributions	350	413	(63)	
Total	256,412	250,136	6,276	

Increases in the year on year value of contract income have been driven by a number of factors:

- The lifting of the cap on public sector pay awards and the resultant increase in Agenda for Change pay rates were funded centrally and this accounts for £2.8million of the contractual increase
- Initial contract value with the Trust's principal commissioners was based on the 2017/18 out turn position with an agreement to review changing costs in year. A resultant review agreed to fund an additional £4.5million

- The Trust saw a year on year reduction in income from Wales of £1million due to reprioritisation of activity to meet revised waiting list standards for English patients.

The decrease in patient sustainability funding has been impacted by the Trust's delivery of the four hour standard and the quarter four financial target.

The Trust's income from the provision of goods and services for the purposes of health services remains greater than the income from the provision of goods and services for any other purpose.

Expenditure analysis

The expenditure for the year is analysed in the table below:

Analysis of Expenditure	2018/19 £'000s	2017/18 £'000s	Change £'000s	%
Employee Expenses - Staff	153,891	146,471	7,420	5.1
Supplies and Services - Clinical	16,707	16,289	382	2.3
Drugs	17,201	16,643	570	3.4
Premises Costs	10,973	9,325	1,648	17.7
Clinical Negligence	6,135	7,197	-1,062	(14.8)
Services from NHS bodies	4,237	4,116	121	2.9
Other	15,543	15,354	192	1.3
Sub Total Acute	224,687	215,395	9,244	4.3
Community Services Employee Expenses	21,604	19,970		
Community Services Non Pay Costs	6,852	6,737		
Impairments	5,499	-10,471		
Total	258,642	231,631		

During the year the Trust employed an average of 4,165 full time equivalent staff, an increase of 168 on the previous year. The average staff cost increased from £40,625 to £42,098, an increase of 3.6%. Average wage awards were at 3.4% however the average wage has seen a larger increase due to the increased use of higher cost agency staff.

Agency spend has increased by £1.7million to £6million, an increase of 39% with spend now representing 3.5% of total pay costs.

Of the increase in average staffing numbers, the largest increases have been seen in Healthcare Assistants, Scientific and Therapeutic staffing and Healthcare Scientific staff, which collectively account for 52 of the additional 68 staff. The principal driver for these increases has been the sustained reduction in vacancies in community services.

Clinical negligence costs have seen a significant reduction in costs where premiums have been reduced to reflect both lower costs nationally and improvement in the Trust's exposure resulting in a 15% reduction on the previous year.

Premises costs have seen significant increases in utility costs of £0.5million, some increases in furniture and fittings associated with refurbishment programmes of £0.2million and increases in IT infrastructure, in particular investment in community services electronic patient records system.

Clinical Supplies costs have remained static in real terms during the year reflecting strong procurement processes mitigating the pressure of inflationary increases along with reduced levels of elective activity.

Capital expenditure investments

2018/19 has seen the Trust continue to invest in its infrastructure. During the year the continued refurbishment programmes of the Trust's wards continued.

- In total the Trust has seen capital additions in year of £7.6million, with a further £1million funded through new finance leases. The key elements have been:
- Improvements in Information Technology infrastructure with improvements to both Cyber Security and the introduction of free public wi-fi.
- Purchase of electronic patient systems for community services
- Continued developments in the A&E department to provide better patient streaming
- Refurbishment of Ward 17 and Ward 12
- Building works to enable additional MRI scanner installation
- Continued programme of asbestos removal and backlog maintenance including replacement of windows.

Liquidity and Borrowings

Cash balances remained positive during the year with a year end balance of £11.3million. This is an improvement on the previous year which is significantly driven by continued strong financial performance.

During the year borrowings outstanding increased by £0.2million. This is accounted for by:

- Impact of an increase in capital loans from the Department of Health of £1.6million
- Less repayments on previous loans of £0.4million
- less a reduction in outstanding lease obligations of £1million.
- Payment to supplier terms (by value) performance deteriorated from 84% in 2017/18 to 76% in 2018/19.

Accounting policies for pensions and retirement benefits

The Trust's policy for accounting for pension and retirement benefits provided to staff can be found in the Annual Accounts section of this report.

Details of the remuneration of Trust Directors, including their retirement benefit provision, can be found in the Remuneration Report.

Post balance sheet events

There are no significant post balance sheet events.

Cost Audit information

The option to extend the contract of the existing auditor (Deloitte LLP) was taken by the Council of Governors in January 2018 for a further two years. Further details on the appointment of the Trust's external auditors can be found in the Director's Report.

At the time of writing the Annual Report there were no known conflicts of interest that need to be addressed by the auditor or the Audit Committee.

Cost allocation and charging

The Trust confirms that it has complied with the cost allocation and charging requirements set out in Her Majesty's Treasury Information Guidance.



Pictured: Ward 17, part of the Child and Adolescent Unit, is just one the areas that has recently been invested in



2.7 Overview of Charitable Activities

Mid Cheshire Hospitals Charity is a registered charity which manages all donations made to Mid Cheshire Hospitals NHS Foundation Trust (including money donated through fundraising activities, 'in memory of' donations and legacies) and is based at Leighton Hospital. The charity holds a number of funds to allow people to support the area of their choice and works with the Trust to ensure that donated money is used to enhance and improve the care and experience of people treated at the Trust.

Over the last 12 months the charity has funded numerous pieces of equipment including recliner chairs, which enable patients to get out of bed sooner, and foldaway beds that allow relatives to stay with very poorly patients overnight. The charity has also funded the development and maintenance of gardens within the hospital grounds, which enable patients to get some fresh air, and has paid for enhanced staff training to improve the care and service staff provide to patients.

In line with the Foundation Trust Accounting Manual, the accounts of the Trust's principal Charity have been consolidated with the Trust's Accounts. The Trust's

accounts have been separated out throughout the financial statements with the column headed "group" reflecting the consolidated performance. A summary of the Trust's charitable accounts can be found in note 36 of the accounts, which show a net outgoing in year of £39,000, with retained funds at the end of the year of £848,000, of which £3,000 is held in cash and £622,000 in Investments. The remaining balance is held in debtors and creditor balances.

The Charitable funds balance has reduced in year with a reduction of £39,000, which continues to support the Trustees' position of encouraging the utilisation of donations on a timely basis.

Over the next 12 months the charity will continue to work with patients, families, staff, external groups and local businesses to raise funds for the 'Everybody Knows Somebody' Dementia Appeal which launched in 2017. The appeal will fund a range of projects across the Trust which will make the hospitals more accessible, welcoming and less frightening for people living with dementia.



Pictured: Chairman Dennis Dunn, Admiral Nurse Sheridan Coker, Charity Patron Pete Waterman, Admiral Nurse Anna Chadwick and Charity Manager Emma Robertson launch Mid Cheshire Hospitals Charity's latest appeal, 'Everybody Knows Somebody'

2.8 Counter Fraud

Mid Cheshire Hospitals NHS Foundation Trust has established an Anti-Fraud Service provided by KPMG. The Trust's local fraud work is in line with standards for providers for Fraud, Bribery and Corruption issued by the NHS Counter Fraud Authority.

KPMG employs accredited Counter Fraud Specialists (LCFS) who lead on delivering both proactive and reactive work. The Counter Fraud team prepares a risk based plan each year based on risks identified locally, nationally and those arising out of the NHS Protect quality assessment process. Work completed by the Internal Audit team (also provided by KPMG), provides assurance over key financial controls and highlights any areas where the Trust may be exposed to the risk of fraud.

The following provides a summary of the Counter Fraud activities undertaken during the year:

- During 2018/19 the Trust worked pro-actively to raise awareness in relation to countering fraud to embed the anti-fraud culture. This included the publication of two counter fraud newsletters in July 2018 and February 2019 covering NHS fraud case studies and how to report fraud
- The Trust's intranet was updated to include counter fraud information including Counter Fraud Team contact details, case studies and fraud prevention tips
- A focused Fraud Awareness Week was held in November 2018 with the LCFS working alongside the Trust's Communications team to publicise the week
- Throughout Fraud Awareness Week and through all communications the Counter Fraud team's availability has been offered to support divisions as requested
- Counter fraud strategy is in place to prevent fraud and deter individuals or groups to attempt to commit fraud. In addition to this there are robust policies and procedures in place including the Code of Conduct, Fraud and Corruption Policy, Disciplinary Policy, Whistleblowing (raising concerns) policy, Procurement policies, Patients' Property and Hospitality and Declarations of Interest. The Fraud Policy and Response Plan was updated during the year in line with revised guidance
- The strategic counter fraud plan includes pro-active, risk-based reviews of key fraud risk areas. All reviews identified areas for development and provided action plans for the Trust.



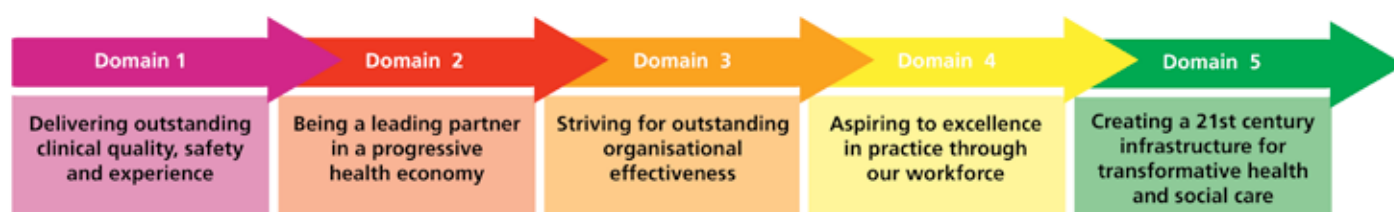
Pictured: the cover of NHS Fraud Insider, the newsletter produced by KPMG to raise awareness of countering fraud

2.9 Strategic Direction (looking forward to 2019/20)

In December 2017 the Trust reviewed and updated its Strategy, developing a plan and objectives to progress the organisation from 2017 until 2020. This was undertaken through a series of engagement events with staff, Governors and wider partner stakeholders. In 2018 this was reviewed and the divisional plans on a page were refreshed.

The resulting document available at www.mcht.nhs.uk/strategy details the significant progress made against the 2011 five year strategic plan as well as recognising the continued transformation programme required to achieve greater integration across both health and social care.

The Trust has identified five strategic domains within which detailed objectives and programmes of work have been identified across the Trust.



Annual Plan

From a financial perspective, and looking forward to 2019/20, the Trust has submitted a plan that delivers an improved position to a surplus of £1.8million. This position is dependent on the Trust being able to access the Provider Sustainability Fund (PSF). These funds are contingent on a number of factors including delivering the agreed financial control total and achieving the agreed trajectories against the four hours access standard.

The Trust's Annual Plan covering the financial year 2019/20 requires a cost saving of £5million to deliver the £9.3million deficit control total. Detailed plans are in place to deliver this which allow the PSF to be earned securing an expected position of £1.8million deficit.

The plan continues to build on the Trust's strategic cornerstones of both vertical and horizontal integration. Further progress has been made in the last 12 months in respect of the vertical integration of services across the catchment area in community care. This includes the expansion and enhancing of services across a number of service areas including musculoskeletal, pain, stoma and rapid response activities. A systematic review of the service lines and how these can be transformed has continued. Progress towards health economy transformation is now firmly within partners' collective control.

The Cheshire and Merseyside Health and Care Partnership provides a strategic direction to leverage savings and

clinical sustainability across Cheshire and Merseyside. Along with the vanguard work, in particular in Women and Children's and the existing 'Stronger Together' programme with University Hospitals North Midlands NHS Trust, this will support the progress on horizontal integration both clinically, where it is in the patient's best interest, and through back office and clinical support services where delivery at scale and pace can be achieved. On a similar vein, the Trust is committed to working with East Cheshire NHS Trust to ensure the sustainability of clinical services for the joint population of Cheshire.

The financial outlook for the NHS beyond 2019/20 continues to be challenging, with a continued requirement to drive forward efficiencies and reduce public expenditure. Whilst health budgets have not seen the cuts other Government departments have experienced, the expectation remains that hospital providers will need to continue to deliver efficiencies of at least 1.5% per annum over the next five years.

In addition, the growth in activity that is being experienced nationally and locally in some areas such as the Emergency Department continues to place increased pressure on the local health economy who collectively are responsible for paying for the activity required to be undertaken by the Trust. The Trust continues to work with its commissioners and other providers to develop integrated models of care which can help to reduce the demand on hospital services and deliver high quality services both in and out of hospital.

Approach to Quality

The Trust has conducted an extensive engagement programme, including patients, public, staff and key stakeholders and commissioners, to inform its Quality and Safety Improvement Strategy which describes the key priorities for quality and safety from 2018 to 2019 inclusively. The development of the Quality and Safety Improvement Strategy has allowed the Trust to focus on the five domains set out by the Care Quality Commission (CQC).

As a result of this, the Trust's nine quality priorities are:

- Reducing serious harm
- Reducing hospital acquired infections
- Deteriorating patient
- Sepsis
- Pressure ulcers
- Falls
- Reducing inpatient moves
- Mortality
- End of life care.

The Trust's risk management processes have identified the following top five risks to quality:

- Workforce capacity and skill mix to consistently deliver high quality care, seven days a week
- The financial sustainability of the Trust
- Delivery of key local and national targets and standards, in particular the four hour standard in A&E
- Cyber security
- The acquisition of The South Cheshire Private Hospital
- The lack of pace in the significant transformational change required to deliver the Cheshire East Place Strategy.

Each of these risks has in improvement plan to mitigate the risk to quality and safety. Further details of the Quality and Safety Improvement strategy are included in the Quality Account section of this report.

Pictured: Sepsis Specialist Nurses hold a 'Red Day' to raise awareness of sepsis, one of the Trust's quality priorities



Seven Day Services

The Trusts has continued its risk based approach to investment in multi-disciplinary teams ready for 2019/20 and to make progress towards complying with the four priority clinical standards with the seven-day services programme.

Significant work has taken place which includes a focus on the infrastructure, medical staffing, nursing and therapy support to deliver services across seven days. With this aim, business cases in General Surgery and Urology have been presented to the Trust's Board of Directors in 2018/19 which contain investment proposals to help improve services over the week and 'out of hours'. Further business cases are being developed to improve the level of services within Therapies and Acute Medicine.

In line with other Trusts, the consistent delivery of the 'First Consultant Review within 14 hours of an Emergency Admission' (Standard 2) remains a challenge, although there are plans in place, down to speciality level, as to how this could be achieved. The Trust will continue to develop networked arrangements with neighbouring Trusts to deliver Consultant-directed interventions (e.g. interventional endoscopy, stroke thrombolysis) out of hours. The Trust achieves the seven-day services standards relating to 'access to diagnostic tests' (standard 5) and 'ongoing consultant-directed reviews'.

Workforce Planning and links to Clinical and Commissioning Strategies

The Trust approved a new Workforce and Organisational Development strategy in November 2018, which focuses on the development and transformation of the workforce over a three year period. The strategy is purposefully developed to be flexible and responsive enough to meet the local and national context and in particular will enable the Trust to ensure that its workforce is able to respond quickly and efficiently to developments with local partners.

The Trust has a clear and well-articulated methodology for the workforce plan which is linked explicitly to the Trust's services and activity levels as well as to the Trust strategy. The workforce plan is focused primarily at analysing the level of service need and the resources available for the service. However, it is important to recognise that at both local and national levels there are a number of workforce challenges that need careful consideration. These include occupations with national shortages such as Radiographers and specialist nursing roles and the age profile of the current workforce.

The workforce plan ensures that the Trust has considered the Trust's workforce needs both now and in the future, taking account of the external drivers and developments which the Trust will need to deliver. The workforce plan also takes account of development

opportunities open to the Trust through the introduction of new roles and new ways of working and reflects the advancement of technology within clinical and non-clinical practices. During 2019/20 the Trust will continue to explore opportunities to deliver efficiencies through collaboration and partnership working.

Transformation

The work of the Trust has recently been refocused in the area of transformation. The review has considered the transformation programmes that were running and the way in which transformation was being delivered. The Trust has also received external feedback which recommended that a different approach and a reduction in the number of projects is introduced. As part of the review some projects were translated into business as usual and others were worked up for the new methodology. The key benefits for this change of approach are:

- Structured and resilient approach
- Staff and patient involvement at the centre of the improvement
- Empowerment to front line staff
- Sense of urgency created through a new 90 day model
- Supporting training in Quality Improvement methodology in practice
- Change can be embedded
- Focus for Trust resource.

Projects for the early part of the year are connected to the review commissioned with the Emergency Care Intensive Support (ECIST) team and cover the following areas:

Streaming: ensuring that patients presenting at the Trust's Emergency Department are seen by the right person, in the right place, first time.

Pathways: investigating the process for discharging patients with complex multi-disciplinary needs back into their homes.

SAFER Patient Flow Bundle: relaunching SAFER across the Trust with support from ECIST to ensure ward processes are involving patients from their admission in planning their discharge. To ensure that only those patients who need to remain in an acute care setting do.

Surgical Transformation

Cancer Faster Diagnosis: introducing new pathways to access diagnostics to provide patients with diagnosis sooner. This should also reduce referral to treatment times.

Pre-Operative Assessment: delivering an improved quality standardised approach that optimises patients prior to surgery. This will achieve the best possible outcomes and reduce cancellations of operations due to patients being unfit for surgery.

Central Cheshire Integrated Care Partnership

The focus for 2019/20 will continue to be on the transformation of services through integration and collaboration with partners, with a specific focus on:

- Developing integrated pathways and models of care with social services to support patients to remain safe and well in the community as well as supporting earlier safe discharge
- Fully engaging with all strategic partners to deliver sustainable health services for the population of central Cheshire
- Developing a flexible and responsive workforce to meet patient needs that is sustainable for the future
- Use of existing and emerging technology to enhance community care
- Focus on the management of long term conditions in the community.

Strategic Partnerships

The focus for 2019/20 is to continue to work ever more closely together with partnership organisations to improve the quality of care, safety and experience for patients and safeguard clinical services for the populations of Central Cheshire and North Midlands.

One of the aims is to make Mid Cheshire Hospitals NHS Foundation Trust the preferred provider for South Cheshire and Vale Royal CCGs when clinically appropriate in accordance with patient choice and the NHS Constitution. The focus is on five specialties areas where opportunities for improvements in market share were identified and are:

- ENT
- Ophthalmology
- Gynaecology
- Orthopaedics
- Urology.

These continue to be the key priorities for 2019/20 and will support the financial management of the system regaining balance as well as ensuring the provision of local high quality services.

The 'Stronger Together' programme focuses on long term sustainability by working with partnership organisations to deliver shared services and especially those that are sustainably at risk over the longer term. The programme of work with the University Hospitals of North Midlands NHS Trust (UHNH) includes:

- Pathology to include joint appointments for Histopathology Consultants and modernisation of microbiology services
- Elective surgery to maximise the Trust's capacity, improve the referral to treatment time for UHNH patients and therefore increase the financial contribution to both organisations
- Stroke services, further enhancing the joint working between both Trusts to provide sustainable Stroke services to the Trust's population.

MCHFT has also engaged with other local partners to support the development of East and West Cheshire Integrated Care Partnerships. Whilst these are still in development the opportunities to more widely enhance integration of teams and services offers great potential to keep people at home and provide more rapid response services where patients need them.

Accountability Report



3.1 Director's Report

The general duty of the Board of Directors is to promote the success of Mid Cheshire Hospitals NHS Foundation Trust so as to maximise the benefits for the Members of the Trust as a whole and for the public. To make sure the care that the Trust provides is safe, effective, caring and responsive for patients, trust Boards must be founded on and supported by a strong governance structure.



Our Council of Governors supports the Trust by talking to and interacting with the communities and Members that they represent.

Annual Members' Meeting

This meeting is held annually in the autumn. All Members are invited to attend to hear about the Trust's performance during the year and receive the Annual Report and Accounts. In October 2018 the meeting was held at Congleton Town Hall and included a health and wellbeing fair delivered in conjunction with Congleton Partnership and Cheshire East Council.

Each NHS Foundation Trust has its own governance structure. The governance structure starts with the Trust's Membership who elect the Council of Governors who in turn hold the Non-Executive Directors to account for their leadership and management of the Trust.

This structure is set out in the Trust's Constitution and is well developed. Details can be found at www.mcht.nhs.uk/about-us and the national requirements for governance can be found at www.improvement.nhs.uk.

In addition to the basic governance structure, the Trust makes use of its Board Committees and Executive Groups which comprise of directors and senior managers as a practical way of dealing with specific issues.

Foundation Trust Membership

The Trust involves Members, patients, carers and the public in developing its forward plans. Designing services and improving care means that the views of local people are being heard which helps to improve experience for patients, carers, visitors and staff. The Trust holds regular events for Members at Leighton Hospital which provide a behind the scenes focus on particular areas. This year this has included A&E, Diabetes, Rehabilitation and updates from the Chief Executive.

Membership Strategy

Year on year, the Trust strives to maintain and engage with its representative Membership, which was originally established in 2008. Through the Trust's Membership and Communication Strategy the Trust aims to engage, maintain and develop its Membership. A primary aim is to ensure that Membership numbers reflect the local population. This is monitored by the Trust on a regular basis through the Council of Governors and by the Board of Directors through the Performance and Finance Committee.

Youth Members

In 2018/19 the Trust's Membership and Communications Strategy continued to focus on membership growth within the 17-25 year old demographic. This has had some success and will remain a focus for 2019/20. The Trust recruited a second cohort of Youth Ambassadors in September 2018 who were appointed for a twelve month voluntary placement to fit alongside existing study and work commitments. In 2017/18 the Youth Ambassadors completed projects promoting health and wellbeing during exam periods and a video that promotes the Trust Membership.

Pictured: Two of the Trust's Youth Ambassadors for 2018/19 attend a career event at Leighton Hospital

Mid Cheshire Hospitals NHS Foundation Trust Membership consists of public, patient, carers, staff and volunteers.

Membership Figures

The following tables provide a breakdown of the current and estimated membership figures for a number of indicators to highlight areas of Member representation.

Constituency	Actual 1 April 2019	Target 31 March 2020
Public	3,582	3,650
Patient and Carers	1,097	1,147
Staff and Volunteers	4,237	4,787
Totals	8,916	9,584

Staff and Volunteer Members

Staff who join the Trust are invited to become a Member. Those who are registered to undertake individual voluntary work at the Trust are eligible to become a Member within this constituency after twelve months.

This constituency is split into the following classes:

- Qualified Nursing and Midwifery staff
- Medical Practitioners and Dental staff
- Other Professionally Qualified Clinical staff
- Clinical Support Staff
- Non-Clinical Support Staff
- Recognised Representative of Trade Unions and Staff Organisations
- Registered Volunteers.

Staff and Volunteer Constituency Breakdown	Actual 1 April 2019
Qualified Nursing and Midwifery staff	1,075
Medical Practitioners and Dental staff	252
Other Professionally Qualified Clinical staff	400
Clinical Support Staff	1,070
Non-clinical Support Staff	1,196
Recognised Representative of Trade Unions and Staff Organisations	17
Volunteers	138
Unspecified	89
Total	4,237*

Public Constituency	2018/19	2019/20 (estimated)
At year start (1 April)	4,021	3,582
New members	38	168
Members leaving	477	100
At year end (31 March)	3,582	3,650
Patient and Carers		
At year start (1 April)	1,209	1,097
New members	26	100
Members leaving	138	50
At year end (31 March)	1,097	1,147
Staff Constituency		
At year start (1 April)	4,947	4,237
New members	335	650
Members leaving	1,045	100
At year end (31 March)	4,237	4,787

The table above includes the Trust's actual membership at 1 April 2019 and the targeted membership for 2020.

Patient and Carer Members

There is one patient and carer Member constituency. To be eligible to be a Member of this constituency people have to be over 16 years of age and have received care or treatment from the Trust, or they have been a principle carer of a patient in the past five years.

Public Members

The Trust has three public Member constituencies which cover Cheshire East and parts of Cheshire West and Chester Council neighbourhood wards. A member of the public who is 16 years of age or over and lives in one of the following constituencies can become a Member of the Trust:

- Congleton
- Crewe and Nantwich
- Vale Royal.

Public Constituency Breakdown	Actual 1 April 2019
Congleton	707
Crewe and Nantwich	1,575
Vale Royal	1,250
Out of Area	50

Public Constituency	2018/19	2019/20 (estimated)
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Members leaving	1,045	100
At year end (31 March)	4,237	4,787

The Trust communicates and engage with Members, patients, carers and the public regularly and uses a variety of channels to do that. These include:

- Membership and staff newsletter (All Together)
- Mid Cheshire Hospitals NHS Foundation Trust website
- Membership events
- E-communications
- Social Media – Twitter, Facebook
- Local newspapers
- 'Meet your Governor' events
- Recruitment fairs
- Market stalls at stakeholder events
- Careers fairs
- Chief Executive briefings
- Annual Members' Meeting and Health and Wellbeing Fair.

We also work closely with partnership organisations such as Vale Royal and South Cheshire Clinical Commissioning Groups, Cheshire East Council, Cheshire West and Chester Council, Congleton Chamber of Commerce, South Cheshire Chamber of Commerce and Warrington Chamber of Commerce and Industry.

Further information on Membership and how to contact Governors can be found on our website:

www.mcht.nhs.uk/members

Public membership	Number of Members 1 April 2019	Eligible membership
Age (years)*		
0-16	4	135,964
17-21	118	37,019
22+	3,286	543,873
Ethnicity+		
White	3,017	678,965
Mixed	14	6,923
Asian or Asian British	31	10,157
Black or Black British	19	2,310
Other	9	1,917
Not stated	492	n/a
Gender		
Male	1,461	349,594
Female	2,005	365,944
No stated gender	116	n/a



Pictured top to bottom: Chairman Dennis Dunn talks to guests at the Annual Members' Meeting 2018; the Trust holds a health and wellbeing fair at Congleton Town Hall as part of its Annual Members' Meeting 2018

Council of Governors

The Council of Governors of the Trust consists of 29 members; two represent Congleton, four represent Crewe and Nantwich, four represent Vale Royal constituent areas, six represent patient and carers of the Trust, six represent staff, one represents the Trust's volunteers and there are six appointed Governors who represent the views from the Trust's partner organisations.

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Governors must exercise leadership, enterprise, integrity and balanced judgement in the discharge of their role and functions within the Trust.

The Council of Governors is responsible for the following statutory duties:

- To hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors
- To appoint, agree the remuneration and, if appropriate, remove, the Chair and other Non-Executive Directors
- To approve the appointment of the Chief Executive
- To appoint and if appropriate, remove the Trust Auditors
- To receive the Trust's annual accounts
- To approve any significant transaction, merger, acquisition, separation or dissolution of the Trust
- To approve any amendments to the Trust's Constitution.

In addition, the Council of Governors collectively has responsibility to support the Trust to consider and canvas the views of its Members when developing plans and services. They discharge this duty by attending Membership events. These have included 'Meet Your Governor', local health fairs and public events. Governors feed their views back to the Board through Council of Governors meetings and Governor strategy event, which are part of the forward planning process. They represent Members within their local constituent areas to ensure Members' views and experiences are being received.

2018/19 Council of Governors Meetings

- Thursday 26 April 2018
- Thursday 26 July 2018
- Thursday 25 October 2018
- Thursday 24 January 2019.

The Council of Governors delegates some of its powers to committees of Governors and these matters are set out within the Trust's Constitution. These are the Membership

and Communication Committee and the Nominations and Remuneration Committee. Further details on the workings of the Nomination and Remuneration Committee can be found within the Remuneration Report.

Membership and Communications Committee

This Committee's purpose is:

- To maintain the Membership of approximately 9,000 Members and ensure that this matches the demographics of the constituent areas
- To establish and monitor programmes for the recruitment, development and retention of Members of the Trust
- To establish and develop effective forms of communication with Members
- To establish and develop effective forms of communication among and between Governors
- To establish and develop effective communication channels and plans for Governor engagement with Members and the local community.

The Committee met five times during 2018/18 and attendance was as follows:

Barbara Beadle (Chair)	4/5
Janet Martin-Jackson	2/4*
Janet Roach	3/5
Helen Piddock-Jones	2/5
Pat Psaila	3/5
Mark Perry	4/5
Stephen Burns	0/5

**Janet Martin-Jackson retired in February 2019 and therefore stood down from her role as a staff Governor*

Composition and Attendance of the Council of Governors during 2018/19:

Governor	Constituency	Terms Served	Term Commenced	Term Expires	Meeting Attendance
Elected Governors					
Barbara Beadle	Crewe and Nantwich	3	01/4/2017	31/03/2020	4/4
Jan Roach	Crewe and Nantwich	2	01/4/2017	31/03/2020	2/4
Glynda Alasadi	Crewe and Nantwich	1	01/4/2017	31/03/2020	2/4
Ben Selby	Crewe and Nantwich	1	01/5/2017	31/03/2020	3/4
Janet Ollier	Congleton	2	01/4/2017	31/03/2020	3/4
Vacant Post	Congleton	-			
Katherine Birch	Vale Royal	2	10/9/2015	09/09/2021	4/4
Tim Ashcroft	Vale Royal	1	01/4/2017	31/03/2020	4/4
Mark Perry	Vale Royal	1	01/4/2017	31/03/2020	3/4
Gary McCourty	Vale Royal	1	10/09/2018	09/09/2021	2/2
Pat Psaila	Patient and Carer Governor	2	10/9/2015	09/09/2021	3/4
Norma Moores	Patient and Carer Governor	1	16/09/2016	15/09/2019	3/4
Ray Stafford	Patient and Carer Governor	2	10/9/2015	09/09/2021	4/4
Dennis Fricker*	Patient and Carer Governor	1	01/4/2017	31/03/2020	1/2
Maureen Leverington	Patient and Carer Governor	1	01/4/2017	31/03/2020	3/4
John Pritchard	Patient and Carer Governor	1	01/4/2017	31/03/2020	4/4
Steve Holman**	Patient and Carer Governor	1	10/09/2018	09/09/2021	0/3
Mitchell Long+	Patient and Carer Governor	1	24/01/2019	09/09/2021	1/1
Staff and Volunteer Governors (Elected)					
Caroline Birch	Recognised Representative of Trade Unions and Staff Organisations	2	01/4/2017	31/03/2020	4/4
Lynn Evans	Clinical Support Staff	1	10/09/2018	09/09/2021	1/2
Helen Piddock-Jones	Registered Volunteers	1	01/4/2017	31/03/2020	3/4
Nicholas Boyce Cam	Medical and Dental Practitioner	1	01/4/2017	31/03/2020	4/4
Janet Martin-Jackson+	Qualified Nursing and Midwifery Staff	1	16/09/2016	15/09/2019	3/4
Richard Sutton	Other Professionally Qualified Clinical and Central Cheshire Integrated Care Partnership	1	01/4/2017	31/03/2020	2/4
Robert Platt	Non-Clinical Support Staff	1	10/9/2015	09/09/2018	3/4
Partnership, Appointed Governors					
Paul Colman, South Cheshire Chamber of Commerce and Warrington Chamber of Commerce and Industry					1/4
Councillor Janet Clowes, Cheshire East Council					4/4
Dr Gladys Pearson, Manchester Metropolitan University					2/4
Dr Jonathan Griffiths, Vale Royal Clinical Commissioning Group					2/4
Dr Andrew Wilson, South Cheshire Clinical Commissioning Group					2/4
Councillor Stephen Burns, Cheshire West and Chester Council (from December 2016)					2/4

* Mr Dennis Fricker resigned his post in July 2018

** Mr Steve Holman resigned his post in January 2019 and was replaced by Mr Mitchell Long who had received the next highest amounts of votes in the 2018 elections

+ Mrs Janet Martin-Jackson resigned her post in January 2019

Governor Elections 2018

Elections were held between June and August 2018 and three new Governors were elected. Three Governors were also re-elected for another three year term of office beginning on 1 April 2018.

Constituency	Candidates	Eligible Voters	Turnout (%)	Successful Candidates	Term of Office
Public – Vale Royal	2	Uncontested		Katherine Birch	2
				Gary McCourty	1
Public- Congleton	0	No Candidates		Vacant	
Patient and Carers	5	1031	12.3%	Pat Psaila	2
				Ray Stafford	2
				Steve Holman	1
Staff – Clinical Support Staff	2	759	4.5%	Lynn Evans	1

Governor Development

All new Governors took part in an induction programme during the first six months of their office. This explained the duties and responsibilities of the Trust and provided an introduction to the Trust. As part of the Council of Governor's meeting in October the Chairman led a refresher session on the statutory duties of Governors.

Two Governors attended the North West Governor Network in Wigan in October 2018 and all Governors were invited to attend NHS Providers Governwell Network training days.

Lead Governor

Dr Katherine Birch continued as Lead Governor through 2018/19. In her role as Lead Governor Dr Birch attended Board of Director meetings, met with Governors in private and was part of the recruitment panel for Non-Executive Director and the Chief Executive appointments. Dr Birch presented at the Annual Members' Meeting in October on the work of the Council of Governors. Dr Birch can seek a meeting with the Chairman at any time to raise any issues of concern or seek clarity on any agenda items discussed.

Contacting Governors

Governors can be contacted via the Trust Board Secretary by emailing foundationtrust@mcht.nhs.uk or by completing an online contact form on the Trust's website, www.mcht.nhs.uk/members/our-council-of-governors

Governors can also be reached by post at Membership Office, Leighton Hospital, Middlewich Road, CW1 4QJ.

Becoming a Governor and voting in the Governor Elections



Pictured: the cover of an information leaflet that offers information to those interested in standing as a Governor or voting in the Governor Elections

Board of Directors

The Board of Directors is a unitary Board with collective responsibility for all areas of performance of the Trust such as clinical and operational performance, financial performance, governance and management. The Board is legally accountable for the services it provides at the Trust and operates to the highest of corporate governance standards.

The key responsibilities of the Board of Directors of the Trust are to:

- Set the strategic direction of the Trust ensuring that the Council of Governor's views are considered
- Ensure safe, high quality services which result in a positive patient experience are delivered in line with the principles of the NHS Constitution
- Strive for continuous improvement and innovation whilst ensuring adequate systems and processes are in place to deliver the Trust's Annual Plan
- Measure and monitor effectiveness and efficiency of services
- Ensure that the Trust is compliant with its Licence, as issued by the Trust's Independent Regulator
- Exercise powers of the Trust which are established under statute, as detailed within the Trust's Constitution
- Ensure robust governance arrangements are in place and supported by an effective assurance framework which supports sound systems of internal control.

The Board delegates some of its powers to committees of Directors and these matters are set out within the Trust's Corporate Governance Handbook and Scheme of Delegation. Further details on the workings of the two statutory Board Committees (Appointments and Remuneration Committee and Audit Committee) can be found within the Remuneration Report. In addition to these, the Trust has Board Committees and Executive Operational Groups which are all reviewed annually.

The Board ensures that the public interests of patients and the local community are represented by working groups in place within and outside of the Trust which are in addition to the Council of Governor Committee structure. These include but are not limited to:

- Patient Information Group
- Complaints Review Panel
- Patient Register Group
- Quality and Safety Improvement Strategy Group

Board Composition and Balance

The Board is satisfied that it has reviewed the appropriate balance and knowledge, skills and experience of Board members to enable it to carry out its duties effectively.

Board of Director Meetings

The Board met in formal session on 14 occasions during 2018/19, 12 scheduled meetings and two extra ordinary

meeting. These sessions were held in public apart from where the Board resolved to meet in a private session, by reason of the confidential nature of business to be discussed.

Board Performance

The collective performance of the Board is assessed through Board Away Days and through Executive attendance at Council of Governor meetings. A review of each Board meeting is undertaken by a Non-Executive Director at the end of each meeting. In addition, the Board, staff and Council of Governor's annual self-assessment of Board effectiveness is also used to measure performance.

Well Led

In February 2018 the Board undertook a developmental review to determine whether the Trust's services are 'Well Led', using the NHS Improvement Developmental Reviews of Leadership and Governance (June 2017). This included reviews of the Trust's internal control systems and Board Assurance Framework alongside interviews with the Board and senior leaders.

Overall the Trust Board agreed the internal review provided significant assurance in relation to the eight Well Led Key Lines of Enquiry. The output of this review was a prioritised improvement plan, including areas for action internally and externally which were completed in December 2018. This included an external deep dive developmental review commissioned from Mersey Internal Audit and Advanced Quality Alliance (AQuA) to focus on specific areas. This report provided further assurances and highlighted actions for the Trust to progress in 2019/20.

In 2019/20, as part of the Well Led action plan, the Trust will be developing areas relating to the governance of quality including improving quality improvement capacity and capability across the Trust. This will build on the work completed in 2018/19 which introduced quality reports at Divisional Board, ward and departmental level and an Executive-led quarterly quality assurance review process. The Trust's new Quality and Safety Improvement Strategy will be launched in Spring 2019.

The Trust took part in its first annual Well Led inspection by the Care Quality Commission (CQC) in May 2018 and achieved a 'Good' rating in this area. This rating was used together with the results of the NHS Improvement Use of Resources assessment in March 2018 and the results of the CQC Core Services inspections to maintain an overall rating for the Trust of 'Good'. Details of the internal

controls in place to ensure that the Trust is Well Led are contained in the Annual Governance Statement. Further detail on the work the Trust undertakes to ensure it meets the requirements of the CQC are provided in the Quality Report section. The full CQC report can be found here - www.cqc.org.uk/provider/RBT

Board Members Effectiveness and Evaluation

All Board members undergo annual performance appraisals. The Chief Executive carries out the annual performance appraisal for the Executive Directors and the Chairman for the Non-Executive Directors and the Chief Executive. The Senior Independent Director carries out the annual performance appraisal for the Chairman by meeting collectively with Non-Executive Directors and then separately with the Lead Governor and Chief Executive before reaching a conclusion. This appraisal is reviewed at the Governors' Nominations and Remuneration Committee which makes a recommendation to the Council of Governors. The Council of Governors confirmed the appointment of two new Non-Executive Directors who started at the Trust on 1 February 2019 following a competitive process.

The Board of Director's relationship with the Council of Governors and Members

The Board works closely with the Trust's Council of Governors. Although the Executive is not required to attend every Council of Governor's meeting, the Chief Executive and other Executive Directors strive to attend all meetings to provide information to Governors on the

performance of the Trust and strategic developments and to answer any concerns that the Governors may wish to raise. The Chairman works closely with the Lead Governor to review all relevant matters and the Non-Executive Directors attend each Council of Governors meeting as observers whilst taking part in open discussions.

At each Board meeting there is a standing item that enables the Chairman to report on Governor issues and formally report on the workings of the Council of Governors.

Board meetings are held in public and Governors can and do attend to observe. The Lead Governor attends all Board meetings including any private Board meetings that are held. The Chairman responds to any questions or concerns that Governors may have.

If any dispute should arise between the Council of Governors and the Board of Directors then a disputes resolution process as described in the Trust Constitution would be followed. This process has never been required. Concerns can also be raised at any time through any Director of the Trust or through the Trust Board Secretary who maintains a log of Governor enquiries into the Trust.

There are regular opportunities for Governors to meet with Directors, formally through Non-Executive Director and Governor meetings and informally on a collective or individual basis with either the Chairman or the Senior Independent Director. Governors also meet informally as a body four times a year

Board of Director's Attendance at Council of Governors Meetings

Board Member	Position	Meeting Attendance
Non-Executive Directors		
Mr Dennis Dunn	Chairman	4/4
Mr John Church	Deputy Chair	3/4
Mr David Hopewell	Senior Independent Director	2/4
Mr John Barnes	Non-Executive Director	2/4
Mr Mike Davis	Non-Executive Director	3/4
Ms Lesley Massey	Non-Executive Director	4/4
Ms Lorraine Butcher	Non-Executive Director	4/4
Mr Trevor Brocklebank and Mr Les Philpott began in post on 1 February 2019 and therefore did not attend any Council of Governor's Meetings in 2018/19.		
Executive Directors		
Mrs Tracy Bullock	Chief Executive	4/4
Dr Paul Dodds	Medical Director and Deputy Chief Executive	3/4
Mr Mark Oldham	Director of Finance and Strategic Planning	3/4
Mr Chris Oliver	Chief Operating Officer	4/4
Mrs Julie Tunney	Director of Nursing and Quality	4/4
Mrs Heather Barnett	Director of Workforce and Organisational Development	1/4
Ms Linda Holland	Interim Director of Workforce and Organisational Development	2/4
Miss Estelle Carmichael	Director of Workforce and Organisational Development	1/1

Notes: Miss Carmichael left the Trust in May 2018 and was replaced on an interim basis by Ms Linda Holland until October 2018 when Mrs Heather Barnett was appointed to the permanent post

Non-executive Directors

Dennis Dunn MBE JP - Chairman



Dennis is former Pro Vice Chancellor International of the Manchester Metropolitan University and Dean of MMU in Cheshire. A specialist in Business Information Systems, he has advised commercial organisations and universities around the world and is former Chairman of BITWorld. Dennis has served as Expert Advisor to a European Commission funded initiative on lean organisations and is currently Visiting Professor at Huizhou University in China. In the UK Dennis serves on the Boards of a number of organisations and is a member of the Cheshire Business Leaders. He is national Trustee the British Red Cross appointed to the Board in 2019 and he is also a Deputy Lieutenant of Cheshire. Dennis was made an MBE by Her Majesty the Queen and awarded Honorary Fellowship of the Manchester Metropolitan University. A former Governor of the Trust before joining the Board of Directors, Dennis was appointed Chairman in July 2014. In 2017 the Council of Governors appointed Dennis to a second term of office until 30 June 2020.

Mr John Church - Non-Executive Director/Deputy Chair



John had a successful food industry career with blue chip companies including Spillers, Rank Hovis McDougall and Northern Foods. He made a successful move into business consultancy which led to the formation of a buying, selling and business support 'Group Tyre' where he became Chairman. John was previously Chair of NHS Western Cheshire (Primary Care Trust) and helped lead the recovery from an inherited £42 million deficit to become the Primary Care Organisation of the year in 2010. He was previously Vice Chair of NHS Cheshire, Warrington and Wirral until 2013. In 2012 John became Deputy Chairman of Save the Family and in 2013 became Chief Executive until early 2016 when he was elected as Chairman. In 2016 John was elected Chair of The Port Grocery that channels food, that otherwise would go to waste, to needy people in Ellesmere Port through a community shop. John was appointed as a Non-Executive Director at the Trust on 1 May 2015 and his second three year term expires on 30 April 2021. John was appointed Deputy Chairman for the Trust from 1 April 2018.

Dame Patricia Bacon - Deputy Chair



Prior to joining the Trust, Patricia worked in Further Education for over 30 years, the last ten of which as Principal of St Helens College. In 2011 Patricia was awarded the DBE in recognition of her contribution to education, both locally and nationally, including 12 months as the elected President of the Association of Colleges. Patricia has extensive experience of corporate governance both regionally and nationally, including seven years as a Non-Executive Director of the University Hospitals North Staffordshire NHS Trust. Since retiring Patricia has been involved in a Non-Executive capacity with schools and colleges and more recently has joined the Cheshire Presidential team of the British Red Cross as Vice President. Patricia was appointed on 1 November 2011 and completed her role at the Trust on 31 May 2018.

Mr John Barnes - Non-Executive Director



John is a chartered engineer with over ten years' experience at Board level in a FTSE 50 utility company. Through his own company, John now offers consultancy in the areas of sustainability, the utility sector, change management and leadership. He is a member of a number of business group and is an Independent Non-Executive Director at South East Water. John was appointed as a Non-Executive Director at the Trust on 1 February 2013 and was subsequently reappointed to a second term of three years which ended on 31 January 2019.

Mr Trevor Brocklebank - Non-Executive Director



Trevor joined Nissan Motor Manufacturing UK as a graduate trainee. Over the following twelve years he worked at Mercury Communications and BT. He started two consultancies in the 1990s, one CRM and one SAP. In 2005 he purchased the UK master franchise for Home Instead Senior Care and assumed the role of CEO, ultimately working across 195 offices UK wide, employing some 8,000 people. In this role he won the Queens Award for Innovation in 2016. He sold Home Instead in 2016 and continues to do some advisory work for the organisation. Trevor has been on the Board of the UKHCA (United Kingdom Homecare Association) for six years and is currently their Chair. He has also been involved with an EU wide initiative, Care Campus, working with leading Universities across Europe to develop online training for family and paid carers. Trevor was Chair of the BFA (British Franchise Association) from 2016 to 2018 and joined the Trust on 1 February 2019.

Ms Lorraine Butcher - Non-Executive Director



Prior to joining MCHFT, Lorraine was a joint appointee across the NHS and Local Government for the City of Manchester and was responsible for the development of the strategy to integrate health and social care within the context of the devolution of health and care in Greater Manchester. Formerly Lorraine has held senior roles across a number of Local Authorities in the North West, in education, children's and adult's services and strategic commissioning. Lorraine lives near Northwich, has a strong commitment to public service and the values of the Trust. She is an experienced leader and brings the wider experience of working within adult and children's services in Local Government, and the development of integrated health and care systems to the Board.

Mr Mike Davis - Senior Independent Director



Mike enjoyed a long career in the business services, facilities management and project finance industries of which 25 years were as Managing Director or CEO of industry leading companies. Between 1997 and 2010 he was closely involved in the design, financing, construction and operation of hospitals and group schools under the Government's Private Finance Initiative. Mike is currently Chairman of the Board and Chair of the Audit Committee of three large hospital PFI companies operating in the North West and East Midlands. Mike was appointed as a Non-Executive Director of the Trust on 1 February 2013 and reappointed for a second term of three years to 31 January 2019. Mike is currently completing a final 12 month term with the Trust as Senior Independent Director until 31 January 2020.

Mr David Hopewell - Senior Independent Director/Chair of the Audit Committee



David is a chartered accountant by profession. He spent several years working with Shell; both overseas and in the UK, before taking up a post at the Government Office North West and moving on to become Resources Director at Cheshire Peaks and Plains Housing Trust. David has also worked as Finance Director for Retrak, a UK charity that supports street children in Africa. He was previously involved with Guinness Northern Counties Housing Association and is a Trustee of Safe Child Africa. David was initially appointed as a Non-Executive Director of the Trust on 1 December 2007 and subsequently as Senior Independent Director in April 2013. In 2015 the Council of Governors approved a final term of three years which ended on 31 January 2019.

Ms Lesley Massey - Non-Executive Director



Since 2010 Lesley has been an Executive Director at AQuA - a regional NHS membership quality improvement and change management organisation. She is a founding member of the organisation and part of the executive management team. Her responsibilities include formulating corporate strategy, ensuring effective governance and building relationships with key stakeholders including The King's Fund and the Health Foundation. She had previously spent a year as Associate Director of Business Development with the North West Improvement Alliance (the forerunner to AQuA). Prior to this Lesley was an Associate Director for Business Planning and Service Improvement with East Cheshire NHS Trust (2006-2009) following several years in senior operational roles in the Trust. She is also a founding member/Vice Chair of the United Kingdom Improvement Alliance (UKIA) - an international improvement learning and development body. She has a professional clinical background as an Occupational Therapist. Lesley joined the Trust Board on 1 May 2018 for a three year term.

Mr Les Philpot - Non-Executive Director



Les is a qualified accountant member of the Chartered Institute of Public Finance and Accountancy (CIPFA), with a strong background in public finance and leadership in a public sector career spanning more than 40 years. He completed his executive career in 2016 in the role of Chief Executive and Accounting Officer of the Office for Nuclear Regulation (ONR) – a new public protection regulator he was the driving force in setting up in 2014. Les was previously ONR's Deputy Chief Executive and, before that, Director of Finance and Corporate Services. His senior leadership positions also included Director and Deputy Director roles at the Health and Safety Executive. Les currently sits in Non-Executive capacities on two other Boards: he is a Non-Executive Director of Benenden Healthcare Society Ltd, and he is an Independent Trustee and Audit Committee Chair of NEBOSH, a commercial educational charity Les also coaches and lectures in strategic leadership and finance as an Associate for CIPFA on an occasional basis.

Independence of Non-Executive Directors

The Board of Directors determine annually whether each Director is independent in character and judgement and whether there are any relationships or circumstances which are likely to affect, or could affect Directors' judgement. Further details on directors' independence can be found within the Foundation Trust Code of Governance section of this report.

Executive Directors

Tracy Bullock - Chief Executive



Tracy joined the health service in 1983 and gained 18 years clinical experience as a nurse before embarking on a variety of managerial and corporate roles. Additionally, Tracy spent two years periodically seconded to the Commission for Health Improvement/Healthcare Commission to conduct investigations and governance reviews of hospitals across the country. Tracy subsequently spent over four years working nationally, supporting challenged NHS organisations to achieve turnaround and latterly Foundation Trust status. During this time she gained experience working in Acute, Primary Care, Ambulance and Mental Health Trusts. Tracy joined Mid Cheshire Hospitals in October 2006 as the Director of Nursing and Quality and very quickly took on additional responsibilities of Operations and Deputy Chief Executive, before being appointed to the Chief Executive role in October 2010. Tracy will be leaving the post of Chief Executive Officer for the Trust on 31 March 2019.

Dr Paul Dodds - Medical Director and Deputy Chief Executive



Paul studied medicine at the University of Manchester and was appointed Consultant Physician with an interest in Cardiology at the Trust in 1994. Prior to becoming Medical Director, his managerial roles at the Trust included Chairman of the Medical Advisory Committee, Clinical Director for Medicine and Divisional Clinical Director for Emergency Care.

Chris Oliver - Chief Operating Officer



Chris joined the Trust in May 2017 as Chief Operating Officer having worked for the NHS for more than 14 years, most recently as Director of Operations at Wirral University Teaching Hospital NHS Foundation Trust. Chris previously worked at the Trust as a Divisional Accountant and Service Manager between 2005 and 2008. Chris has held a number of senior positions that have enabled him to successfully lead healthcare staff in a variety of challenging roles. Chris has a track record of driving performance and delivering results against a background of service development and improvement.

Mark Oldham - Director of Finance and Strategic Planning



Mark joined the NHS in 1989, originally working at Crewe Health Authority. In 1990, Mark began his work at the Trust as it received NHS Trust status. Since then Mark has had a number of promotions internally, giving him exposure to all elements of the NHS financial regime. His notable achievements during this period are a successful business case to build the Trust's Treatment Centre, the acquisition of Community Services in 2016 and a significant contribution to achieving Foundation Trust status. Mark is a member of the Chartered Institute of Public Finance Accountants.

Julie Tunney - Director of Nursing and Quality



Julie has more than 30 years' experience in the NHS, most recently holding the position of Deputy Chief Nurse and then Interim Chief Nurse at Birmingham's Heart of England NHS Foundation Trust. Julie joined the NHS in 1984, qualified as a Registered Nurse in 1987 and has since held a variety of senior nursing roles. During this time, she has also qualified as an Advanced Life Support Instructor and gained a Masters degree in Management and the Health Service. In 2014, Julie graduated as a Florence Nightingale Leadership Scholar with a project that recognised staff for going the extra mile for their patients and it became a finalist in the Kate Granger Compassion Awards in 2015. In 2016 Julie completed the Aspiring Directors Course led by NHSI and London South Bank University where she completed a variety of experiential and academic learning at board level in preparation for her current role. Julie joined the Trust in January 2018 and has recently been awarded an Honorary Professor role at the University of Chester in recognition of her commitment to the development of pre-registered nursing.

Heather Barnett - Director of Workforce and Organisational Development



Heather began her NHS career in Wales in 2002 where she worked for almost ten years in a variety of HR positions. During this time, she gained a Masters degree in Human Resource Management and a Postgraduate Diploma in Employment Law. In 2012 Heather moved to the Clatterbridge Cancer Centre NHS Foundation Trust where she worked until recently as the Director of Workforce and OD. Heather is committed to working in partnership with staff and trade unions to deliver successful change, bringing a wealth of experience in change management and organisational development to the Trust. More recently, Heather completed a second Masters degree in Executive Coaching and is passionate about the personal and organisational benefits that coaching can deliver for the benefit of patient care. She is also a member of the NHS Leadership Academy's coaching register. Heather joined the Trust in November 2018 and is focusing her attention on the delivery of the Trust's People Matter Strategy, including workforce design, people development and robust workforce planning.

Linda Holland - Director of Workforce and Organisational Development



Linda was at the Trust between May and November 2018 as an interim Director. Linda is a CIPD qualified professional with a wealth of experience of human resources, organisational development and change management gained from working across the public, private and not for profit sectors. For the past 10 years Linda has worked as an Interim in a range of executive and senior management positions supporting organisations such as DoH, NMC, BA, Chelsea & Westminster NHS Trust, the Royal Wolverhampton NHS Trust and most recently the Central London Community Healthcare Trust. Linda is also a qualified coach and brings a coaching style to her leadership and relationship with teams and colleagues.

Estelle Carmichael - Director of Workforce and Organisational Development



Estelle joined the Trust in May 2016 as Director of Workforce and OD, having previously held the position of Deputy Director of Workforce and Corporate Development at Derby Teaching Hospitals NHS Foundation Trust. Estelle is MCIPD qualified and has worked in the NHS for over 15 years in a range of different NHS settings, including some time based in a community Trust and PCTs in Cheshire. Estelle is also keen to ensure that the workforce and OD directorate focus on delivering patient-focused HR solutions as well as involving key partners in developing a strong workforce for the Trust's future. Estelle holds postgraduate diplomas in Healthcare Leadership and Personnel Management. She is particularly interested in strategic workforce development and improving the workforce experience in the NHS.

Board of Director Attendance

Executive Directors		Board Attendance 2018/19
Name	Responsibility	
Tracy Bullock	Chief Executive	14/14
Dr Paul Dodds	Medical Director/Deputy Chief Executive	13/14
Chris Oliver	Chief Operating Officer	12/14
Mark Oldham	Director of Finance and Strategic Planning	13/14
Julie Tunney	Director of Nursing and Quality	12/14
Heather Barnett	Director of Workforce and Organisational Development	5/6
Estelle Carmichael	Director of Workforce and Organisational Development	2/2
Linda Holland	Interim Director of Workforce and Organisational Development	5/6

Notes

- Heather Barnett joined the Trust in November 2018
- Linda Holland was an interim Executive Director between May and October 2018
- Estelle Carmichael left the Trust in May 2018

Non-Executive Directors		Board Attendance 2018/19
Dennis Dunn	Chairman	10/14
Dame Patricia Bacon	Deputy Chair	3/3
John Church	Non-Executive Director	14/14
David Hopewell	Senior Independent Director	10/12
John Barnes	Non-Executive Director	10/12
Lorraine Butcher	Non-Executive Director	13/14
Mike Davies	Non-Executive Director	12/14
Lesley Massey	Non-Executive Director	13/14
Trevor Brocklebank	Non-Executive Director	2/2
Leslie Philpott	Non-Executive Director	2/2

Notes

- Dame Patricia Bacon left the Trust in May 2018
- John Barnes and David Hopewell left the Trust in January 2019
- Trevor Brocklebank and Leslie Philpott joined the Trust in February 2019

Declaration of Interests of the Board of Directors

A review of the Board of Director's Register of Declared Interests takes place at the Audit Committee annually. At every meeting of the Board of Directors and its sub-committees there is a standing agenda item which requires Executive and Non-Executive Directors to make it known any interest in relation to agenda items and any changes to their declared interests.

Any other significant time commitments for the Chairman and Non-Executive Directors are assessed as part of the recruitment process, in the annual appraisal and prior to the consideration of any re-appointment for a second term. These interests are included on the Register of Board interests which is held by the Trust Board Secretary and is available on the Trust's website, www.mcht.nhs.uk/about-us/structure/board-of-directors.

Statement as to disclosure to Auditors

For every individual that is a director at the time that this report was approved:

- So far as the director is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- The director has taken all the 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 the Trust's auditor is aware of that information.

A director is regarded as having taken all the steps that they ought to have taken as a director in order to do the things mentioned above; and

- Made such enquiries of his/her fellow director and of the company's auditors for that purpose; and
- Taken such other steps (if any) for that purpose, as are required by his/her duty as a director of the company to exercise reasonable care, skill and diligence.

3.2 Annual Report on Remuneration

Annual Statement from the Chairman of the Trust's Remuneration Committee

I confirm that I was Chair of the Trust's two Remuneration Committees and present to you the Directors' Remuneration Report for the financial period 2018/19 on behalf of those two committees.

The Nominations and Remuneration Committee is established by the Council of Governors to assess the performance, appointments and remuneration of Non-Executive Directors including the Chairman. The Appointments and Remuneration Committee (RemCo) is established by the Board of Directors and reviews the remuneration, recruitment and terms of service for Executive Directors and any other such senior managers. A summary of Executive performance following annual appraisal is provided to RemCo each year.

The Remuneration Report includes the following:

- The Annual Report on Remuneration including Directors' service contracts details and governance requirements including committee membership, attendance and business conducted during 2018/19
- Senior Managers' Remuneration policy.

Major Decisions on Remuneration in 2018/19

The Trust's Appointments and Remuneration Committees aim to ensure that Executive and Non-Executive Directors' remuneration is set appropriately, taking into account relevant market conditions. Executive Directors should be appropriately rewarded for their performance against goals and objectives linked directly to the Trust's objectives, but not paid more than is needed. After careful consideration of national guidance and benchmarking, the Committee decides annually what level of increase in remuneration is appropriate. The Committee ensures the increase is fair and reflects benchmarking of Executive pay across the NHS, which showed the Trust paid its Executive team below the national average.

The Nominations and Remuneration Committee made no major decisions on remuneration for Non-Executive Directors in 2018/19.

In 2017/18 the Appointments and Remuneration Committee had reviewed and agreed the remuneration for Executive Directors at 1% for 2018/19. Following recommendations from NHS Improvement on Executive pay it was agreed in March 2019 that this would be increased to the advised spot payment and this would be effective from 1 April 2019. The exception to this is the Director of Finance who had received an above inflation pay increase at the beginning of 2018/19. The committee also agreed a pay rise higher than the NHS Improvement national figure and higher than inflation for the Director of Nursing and Quality and the Chief Operating Officer to bring their salary closer to the peer average from 1 April 2019.



Dennis Dunn
Chairman of the Trust and Nomination
and Remuneration Committee

Date: 20 May 2019

Nominations and Remuneration Committee

The Nominations and Remuneration Committee of the Council of Governors met three times in 2018/19. Attendance from members was as follows:

Dennis Dunn	3/3
Katherine Birch	2/3
Tim Ashcroft	3/3
Cllr Janet Clowes*	0/3
Norma Moores	2/3
Rob Platt	3/3
Janet Roach	3/3
Ray Stafford	2/3

**Cllr Janet Clowes resigned membership of the committee in November 2018*

The Committee is chaired by the Chairman of the Trust, or the Deputy Chair when the Chairman's nomination or performance is being considered. At this point the Chairman leaves the meeting. The Committee includes the Lead Governor and five additional Governors representing the spread of constituencies.

Only members of the Committee are eligible to attend committee meetings. Other individuals can be invited to attend to offer advice and support the workings of the Committee as and when required to receive specialist and/or independent advice on any matter relevant to its roles and functions.

During 2018/19 the Council of Governors, through the Nominations and Remuneration Committee, agreed and had oversight on the following:

- The Non-Executive Directors, including the Chairman's 2017/18 performance appraisal
- Recommendation to the Council of Governors that Mr Davis' term of office should be extended by one year to ensure continuity in regard to Audit and Finance
- Appointment of Gatenby Sanderson to recruit two new Non-Executive Directors following a review of the skills gaps in the Board of Directors
- Recommendation to the Council of Governors that Mr Church should be invited to serve a second term of three years
- Approved the appointment of Mr Davis as Senior Independent Director to 31 January 2020
- No increase to remuneration for Non-Executive Directors following a review of national remuneration
- Recommendation to the Council of Governors on the appointment of two Non-Executive Directors from 1 February 2019.

The Nomination and Remuneration Committee benchmark annually the remuneration level of Non-Executive Directors and Chairs in NHS trusts before deciding on any annual increase. Currently the Trust pays very close to the national average remuneration for Non-Executive Directors.

In 2018/19, the Nominations and Remuneration Committee appointed Gatenby Sanderson based on their proposal and previous performance to support the recruitment process for two new Non-Executive Directors. The Trust paid £18k for this service. Gatenby Sanderson also provided support for the Chief Executive Officer at a cost of £31k.

The Director of Workforce and OD and senior recruitment managers attended meetings of the Committee and was provided support and advice during the Non-Executive Director recruitment process. The Committee were responsible for the short listing of applications and committee members were on the final interview panel.

Remuneration Committee

The Board of Directors Remuneration Committee met four times in 2018/19. Attendance was as follows:

Dennis Dunn	4/4
John Church	4/4
David Hopewell	1/2
John Barnes	1/2
Mike Davis	2/4
Lorraine Butcher	4/4
Lesley Massey	4/4
Trevor Brocklebank	1/2
Leslie Philpott	1/2

The Committee:

- Agreed the job description, process and remuneration for the Chief Executive Officer and Director of Finance and Strategic Planning posts
- Agreed the appointment of Gatenby Sanderson to support the Chief Executive Officer recruitment and the payment of £25,550 plus VAT
- Agreed the interim arrangements for the Chief Executive Officer
- Agreed the remuneration for Executive Directors
- Received the annual benchmarking report on Executive Director remuneration
- Discussed the long listing and short listing for the Chief Executive officer
- Discussed the impact of pension tax on Very Senior Manager pay.

The Chief Executive supports the working of the Committee by contributing to discussions about the Board composition, succession planning, remuneration and performance of Executive Directors, but is not present when discussions take place in relation to her own performance, remuneration or terms of service.

The Committee undertakes periodic reviews of the salary levels of the Executive Directors including the Chief Executive whilst taking into account the overall performance of the Trust as well as individual performance of directors and published benchmark information. The Trust has not made any bonus payments in relation to performance in 2018/19 and has not offered an incentivisation programme.

Senior Managers' Remuneration Policy

Executive Directors receive a fixed salary which is established at the beginning of each year and determined by benchmarking against NHS organisations throughout the country with the use of NHS Provider benchmarking information, NHS Improvement guidance on Very Senior Manager's Pay, NHS Annual Reports and Accounts and knowledge of job descriptions, person specifications and market pay. Executive Directors are substantive employees and their contracts can be terminated by either party with six months' notice. All other permanent employees of the Trust are subject to Agenda for Change terms and conditions and NHS Consultant contracts and consultation takes place with staff organisations on any proposals to change these terms and conditions of employment.

Service Contracts

As described above, all Executive Director contracts contain a six month notice period. Non-Executive Directors serve for three year terms and serve up to the recommended six years subject to satisfactory performance. Non-Executive Directors are not eligible to receive compensation for loss of office. The Council of Governors consider and set terms of office for Non-Executive Directors beyond that to meet the needs of the Trust whilst taking into account NHS Improvement's guidance. Non-Executive Directors can be terminated by a 75% majority of Governors voting at a Council of Governor general meeting. Further details on each of the Non-Executive Directors can be found in the Director's Report within this Annual Report.

Senior Manager Remuneration and Benefits

Pension arrangements for the Chief Executive and Executive Directors are in accordance with the NHS Pension Scheme, the Accounting Policies for Pensions and relevant benefits are set out in two following tables:

Senior Manager remuneration and benefits – Emoluments (2018/19):

Name	Title	Salaries and Fees (in Bands of 5K)	Expense Payments (total to the nearest £100) **	Performance Pay and Bonuses (in Bands of £5K)	Long Term Performance Pay and Bonuses (in Bands of £5K)	All Pensions related Benefits (in Bands of £2.5K)	Total (bands of £5K)
		<u>£000s</u>	<u>£'s (nearest £100)</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Dunn D	Chairman	55-60	-	-	-	-	55-60
Church J	Non-Executive	15-20	-	-	-	-	15-20
Bacon P	Non-Executive (until May 2018)	0-5	-	-	-	-	0-5
Barnes J	Non-Executive (until Jan 2019)	10-15	-	-	-	-	10-15
Brocklebank T	Non-Executive (from Feb 2019)	0-5	-	-	-	-	0-5
Butcher L	Non-Executive	10-15	-	-	-	-	10-15
Davis M	Non-Executive	10-15	-	-	-	-	10-15
Hopewell D	Non-Executive (until Jan 2019)	15-20	-	-	-	-	15-20
Massey L ⁺	Non-Executive	10-15	-	-	-	-	10-15
Philpott L	Non-Executive (from Feb 2019)	0-5	-	-	-	-	0-5
Bullock T	Chief Executive Officer	160-165	5,500	-	-	10-12.5	180-185
Dodds P	Deputy Chief Executive Officer & Medical Director	215-220	-	-	-	70-72.5	285-290
Oldham M	Director of Finance & Strategic Planning	130-135	7,100	-	-	150-152.50	290-295
Frodsham D	Director of Strategic Partnerships	95-100	7,100	-	-	(42.5)-(45)	55-60

Barnett H	Director of Workforce & OD (from Nov 2018)	45-50	-	-	-	52.50-55	95-100
Carmichael E	Director of Workforce & OD (until May 2018)	10-15	1,100	-	-	2.5-5	10-15
Holland L	Interim Director of Workforce & OD (May-Nov 2018)	50-55	-	-	-	12.5-15	65-70
Oliver C	Chief Operating Officer	110-115	10,400	-	-	(30) -(32.5)	85-90
Tunney J	Director of Nursing and Quality	100-105	-	-	-	40-42.50	140-145

*An element of Dr P Dodds' remuneration includes clinical excellence awards equating to £20,000

** The benefit shown as Expenses includes lease car benefits which form part of the remuneration package for Executives

+ The payment for Ms Massey is paid directly to her employer in lieu of time spent at the Trust. Ms Massey does not receive any direct payment for this role.

Senior Manager remuneration and benefits – Emoluments (2017/18):

Name	Title	Salaries and Fees (in Bands of £5K)	Expense Payments (total to the nearest £100)	Performance Pay and Bonuses (in Bands of £5K)	Long Term Performance Pay and Bonuses (in Bands of £5K)	All Pensions related Benefits (in Bands of £2.5K)	Total (bands of £5K)
		<u>£000s</u>	<u>£'s (nearest £100)</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Dunn D	Chairman	55-60	-	-	-	0-2.5	55-60
Hopewell D	Non-Executive	15-20	-	-	-	0-2.5	15-20
Church J	Non-Executive	10-15	-	-	-	0-2.5	10-15
McNeil R	Non-Executive	10-15	-	-	-	0-2.5	10-15
Bacon P	Non-Executive	15-20	-	-	-	0-2.5	15-20
Barnes J	Non-Executive	10-15	-	-	-	0-2.5	10-15
Davis M	Non-Executive	10-15	-	-	-	0-2.5	10-15
Bullock T	Chief Executive	160-165	9,200	-	-	35-40	210-215
Oldham M	Director of Finance	115-120	15,300	-	-	25-30	160-165
Frodsham D	Director of Strategic Partnerships	95-100	9,100	-	-	45-50	150-155
Lynch A (left in October 2017)	Director of Nursing and Quality	55-60	5,200	-	-	5-10	65-70
Carmichael E	Director of Workforce & OD	90-95	8,800	-	-	30-35	130-135
Dodds P	Deputy Chief Executive Officer & Medical Director	205-210	-	-	-	20-25	225-230
Oliver C	Chief Operating Officer	95-100	7,000	-	-	120-125	220-225
Tunney J (from January 2018)	Director of Nursing and Quality	15-20	-	-	-	30-35	50-55
Cleary A (October 2017 – January 2018)	Interim Director of Nursing and Quality	40-45	-	-	-	-	40-45

Salary and Pension entitlements of senior managers - Pension Benefits:

Name	Title	Real increase in pension at age 60	Real increase in lump sum at age 60	Total accrued pension at age 60 at 31 March 2019	Total accrued lump sum at age 60 at 31 March 2019	Cash Equivalent Transfer Value at 31 March 2018	Cash Equivalent Transfer Value at 31 March 2019	Real Increase in Cash Equivalent Transfer Value	Employers contribution to Stakeholder Pension
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Board Members									
Bullock T	Chief Executive	2	-4	76	190	1,307	1,519	84	-
Dodds P	Medical Director	4	13	90	270	1,782	2,111	134	-
Oldham M	Director of Finance	8	15	59	149	858	1,133	121	-
Frodsham D	Director of Strategic Partnerships	-1	-4	43	130	946	1,034	29	-
Barnett H	Director of Workforce and OD (from Nov 2018)	6	5	24	52	288	446	72	-
Carmichael E	Director of Workforce and OD (until May 2018)	1	0	25	53	331	404	30	-
Holland L	Interim Director of Workforce and OD (May- Nov 2018)	2	0	6	5	58	106	23	-
Oliver C	Chief Operating Officer	0	-8	24	50	283	324	16	-
Tunney J	Director of Nursing and Quality	3	-3	46	116	773	918	59	-

Notes to Senior Managers remuneration and Pension benefits

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS Pension Scheme.

They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV – this reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. There are no performance related pay provisions currently in place.

NHS Pensions are still assessing the impact of the McCloud judgement in relation to changes to benefits in 2015. The benefits and related CETVs disclosed do not allow for any potential future adjustments that may arise from this judgement.

Multiple Statement: Group and Foundation Trust			
	2019 £000	2018 £000	% change
Highest Paid Director gross cost	217	205	5.69%
Median Total earnings	28	26	6.59%
Ratio	7.77	7.83	-0.84%

The median total earnings was calculated using the full-time equivalent gross cost of all staff paid through the Trust's payroll in March 2019 which is then annualised.

Governors' Expenses

In accordance with the Trust's Constitution Governors are eligible to claim expenses for such things as travel at rates determined by the Trust. Out of the total Council of Governor membership of 29, no Governors claimed expenses in 2018/19.

Directors' Expenses

Out of the 13 Board members (seven Non-Executive Directors including the Chairman and six Executive Directors including the Chief Executive) there was a total of 11 Directors that claimed non-audited expenses in 2018/19 at a total amount of £31,200. Details of remuneration and benefits in kind are included within the Remuneration tables.

Exit Packages 2018/19

Exit Package Cost Band (Including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departure Where Special Payments Were Made	Cost of Special Payment Element Included in Exit Packages
	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s
Less than £10,000			7.00	18,465	7.00	18,465		
>10,001			0	0	0	0		
Total	-	-	7.00	18,465	7.00	18,465	-	-

Exit Packages 2017/18

Exit Package Cost Band (Including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departure Where Special Payments Were Made	Cost of Special Payment Element Included in Exit Packages
	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s
Less than £10,000			14.00	48,737	14.00	48,737		
£10,000 - £25,000			1.00	15,172	1.00	15,172		
>£25,001			0	0	0	0		
Total	-	-	15.00	63,909	15.00	63,909	-	-

The Trust has offered staff a mutually agreed resignation scheme where the Trust may offer a financial package to a member of staff who wishes to leave their employment on voluntary terms. To be eligible the applicant must be permanently employed by the Trust and have a minimum of two years' continuous service.

Exit packages: other (non-compulsory departure payments):

	2018/19 Payments agreed	2018/19 Total value of agreements	2017/18 Payments agreed	2017/18 Total value of agreements
	Number	£000	Number	£000
Contractual payments in lieu of notice	7	18	15	64
Exit payments following Employment Tribunals or court orders	-	-	-	-
Total	7	18	15	64



Dr Paul Dodds

Interim Chief Executive & Accounting Officer

Date: 20 May 2019

3.3 Audit Committee

The Audit Committee provides an independent and objective review of the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

The Trust's Non-Executive Directors (with the exception of the Chairman) are members of the Audit Committee, which is chaired by a Non-Executive Director. This was David Hopewell until 31 January 2018 and Leslie Philpott from 1 February 2019. The Audit Committee met on seven occasions during the year with the Director of Finance and Planning, other Trust officers and the internal and external auditors in attendance.

The Audit Committee reviews arrangements annually that allow staff of the Trust, and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.

Attendance during 2018/19 is included within the table below:

David Hopewell	6/7
Pat Bacon	1/1
John Church	7/7
Trevor Brocklebank	1/1
Lorraine Butcher	5/7
Mike Davis	6/7
John Barnes	5/6

Lesley Massey	7/7
Leslie Philpott	1/1

Every year the Audit Committee takes part in a self-assessment against the HFMA standards for Audit Committees. No significant issues were identified in 2018/19.

The external audit fee for the year was £73k which included the Charity Accounts.

There were no conflicts of interest that needed to be addressed by the auditor or the Audit Committee during the year and the committee received a report on the Trust's compliance with NHS England conflicts of interest guidance.

The Board of Directors receive confirmation that all aspects of the Audit Committee's terms of reference have been fulfilled through the Board Committee annual review process and the Audit Committee's annual report.

The Committee met its responsibilities during 2018/19 by:

- Reviewing all risk and control related disclosure statements (in particular the Annual Governance Statement and declarations of compliance with the CQC domain requirements), together with any accompanying Head of Internal Audit statement, External Audit Opinion or other appropriate independent assurances, prior to endorsement by the Board
- Reviewing the underlying assurance processes that indicate the degree of the achievement of corporate

objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements

Approving the work programme and reviewing progress of internal audit and clinical audit processes

- Reviewing the policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements
- Reviewing the policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the Counter Fraud and Security Management Service
- Reviewing the Board Assurance Framework/Risk Register
- Responding to the recommendations and findings of the NHS Counter Fraud Authority inspection which had been positive with no significant concerns raised
- Reviewing Losses and Special Payment Reports and reviewing and approving write-offs of non-NHS debtors
- Reviewing the adequacy of systems to secure value for money
- Reviewing any breaches of Standing Financial

Orders or Standing Orders

Reviewing the Accounting Policies for 2018/19 Annual Accounts and the Annual Accounts

- Reviewing the 2017/18 Annual Report and Financial Statements before submission to the Board
- Reviewing the annual reports of all Board Committees.

The Audit Committee considered the reports of both its internal and external auditors through the year and there were no significant issues during 2018/19.

The Audit Plan was presented to the Audit Committee in April 2018 which confirmed the audits that would be conducted, with an understanding of the key challenges and opportunities facing the Trust. The Audit Committee was assured that the audit would consider the impact of key developments in the sector and take account of national audit requirements set out in NHS Improvement's Audit Code and associated guidance as well as compliance with the International Standards on Auditing (ISAs).



Dr Paul Dodds

Interim Chief Executive & Accounting Officer

Date: 20 May 2019

Better Payment Practice Code - measure of compliance

Group and Foundation Trust		
	Number	£'000
	31/03/2019	31/03/2019
Non NHS		
Total bills paid in the year	61,916	129,925
Total bills paid within target	46,092	106,914
Percentage of bills paid within target	74.4%	82.3%
NHS		
Total bills paid in the year	2,484	32,135
Total bills paid within target	1,559	26,047
Percentage of bills paid within target	62.8%	81.1%
Total		
Total bills paid in the year	64,400	162,060
Total bills paid within target	47,651	132,961
Percentage of bills paid within target	74.0%	82%

Group and Foundation Trust		
	Number	£'000
	31/03/2018	31/03/2018
Non NHS		
Total bills paid in the year	53,397	121,390
Total bills paid within target	41,016	103,146
Percentage of bills paid within target	76.8%	85.0%
NHS		
Total bills paid in the year	2,299	39,381
Total bills paid within target	1,376	31,741
Percentage of bills paid within target	59.9%	80.6%
Total		
Total bills paid in the year	55,696	160,771
Total bills paid within target	42,392	134,887
Percentage of bills paid within target	76.1%	83.9%

The target is to pay both non-NHS and NHS trade creditors within terms agreed with suppliers. In most cases the agreed terms are payment within 30 days of receipt of invoice.

3.4 Staff Report

Staff Analysis

The analysis of staff costs are shown below. All staff are permanent except for the Agency and Contract Staff:

Group and Foundation Trust	Group		Foundation Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Salaries and wages	141,112	135,147	141,112	135,147
Social Security Costs	11,930	11,468	11,930	11,468
Apprenticeship Levy	617	642	617	642
Employer contributions to NHS Pensions Scheme	15,841	15,060	15,841	15,060
Pension cost - other	42	19	42	19
Termination Benefits	-	-	-	-
Temporary Staff - Agency and contract staff	6,079	4,376	6,079	4,376
NHS Charitable funds staff	82	78	-	-
Total Gross Staff Costs	175,703	166,790	175,621	166,712
Of which				
Costs capitalised as part of assets	(282)	(271)	(282)	(271)
Total Employee benefits excluding Capitalised Costs	175,421	166,519	175,340	166,441

Analysed into Operating Expenses (5.1 Op Ex)				
Employee Expenses – Staff and Executive directors	175,340	166,441	-	166,441
NHS Charitable funds: Employee expenses	81	78	-	-
Redundancy			-	-
Total Employee benefits excl. capitalised costs	175,421	166,519	175,340	166,441

Average number of persons employed (whole time equivalents):

Group and Foundation Trust	Total 2018/19 Number	Other permanent employees Number	Directors Number	Other Number	Total 2017/18 Number
Medical & Dental	351	341	-	10	352
Administration & estates	907	875	7	25	895
Healthcare Assistants & other support staff	674	577	-	97	655
Nursing, midwifery & health visiting staff	1,179	1,070	-	109	1,174
Scientific, therapeutic and technical staff	381	363	-	18	360
Healthcare Science Staff	347	346	-	1	335
Other	326	292	-	34	326
Total average numbers	4,165	3,864	7	294	4,097
of which WTE engaged on capital projects	7	7	-	-	6

Staff Numbers

As an NHS acute provider we have a range of staff who work for us. The table below provides a breakdown of staff numbers as at 1 April 2019.

Staff Group/Role	Female	Male	Grand Total
Add Prof Scientific and Technic	135	35	170
Chaplain	1		1
Optometrist	6		6
Pharmacist	32	9	41
Practitioner	46	15	61
Technician	50	11	61
Additional Clinical Services	910	123	1033
Apprentice	1		1
Assistant	132	13	145
Associate Practitioner Nursing	23	3	26
Dental Surgery Assistant	2		2
Healthcare Assistant	584	72	656
Healthcare Science Assistant	137	21	158
Healthcare Science Associate	7	10	17
Play Specialist	2		2
Technical Instructor	8	2	10
Technician	9	2	11
Trainee Healthcare Science Practitioner	1		1
Administrative and Clerical	884	163	1047
Accountant	13	3	16
Analyst	6	6	12
Apprentice	1	8	9
Chief Executive	1		1
Clerical Worker	518	54	572
Librarian	1	1	2
Manager	32	13	45
Medical Secretary	62	1	63
Non-Executive Director	1	5	6
Officer	133	30	163
Other Executive Director	3	2	5
Personal Assistant	11	1	12
Receptionist	13		13
Secretary	31	2	33
Senior Manager	50	24	74
Surveyor	1	2	3
Technician	7	11	18
Allied Health Professionals	305	58	363
Advanced Practitioner	5		5
Chiropodist/Podiatrist	11	4	15
Dietitian	24		24
Dietitian Specialist Practitioner	1		1
Occupational Therapist	50	2	52
Occupational Therapy Specialist Practitioner	2		2
Orthoptist	6		6
Physiotherapist	91	35	126
Physiotherapist Manager	1		1

Physiotherapist Specialist Practitioner	2		2
Radiographer - Diagnostic	63	14	77
Speech and Language Therapist	45	2	47
Speech and Language Therapist Specialist Practitioner	4		4
Estates and Ancillary	225	169	394
Apprentice		1	1
Building Officer		2	2
Cook	2	6	8
Engineer		13	13
Gardener/Groundsperson		1	1
Housekeeper	21		21
Maintenance Craftsperson	1	19	20
Porter	2	52	54
Supervisor	10	7	17
Support Worker	179	68	247
Telephonist	10		10
Healthcare Scientists	108	35	143
Consultant Healthcare Scientist	1		1
Healthcare Science Practitioner	64	18	82
Healthcare Scientist	3		3
Manager	7	4	11
Specialist Healthcare Science Practitioner	33	13	46
Medical and Dental	96	156	252
Associate Specialist	2	4	6
Consultant	46	95	141
Foundation Year 1	8	10	18
Foundation Year 2	10	7	17
General Medical Practitioner	12	7	19
Senior House Officer		3	3
Specialty Doctor	13	20	33
Specialty Registrar	5	7	12
Staff Grade		1	1
Nursing and Midwifery Registered	1165	79	1244
Advanced Practitioner	5	3	8
Community Nurse	117	1	118
Community Practitioner	40		40
Midwife	126		126
Midwife - Manager	1		1
Midwife - Specialist Practitioner	2		2
Modern Matron	23		23
Nurse Consultant	1		1
Nurse Manager	46	7	53
Sister/Charge Nurse	102	12	114
Specialist Nurse Practitioner	67	2	69
Staff Nurse	635	54	689
Grand Total	3828	818	4646

Education

The Trust is committed to support and develop its workforce through education. Yearly appraisals are a mandatory Trust requirement, supported by both manager and participant training in which all employees are encouraged to discuss career development with their manager and participate in creating an individual development plan as the means to achieve their potential. The Education Faculty meets these development goals through the design and delivery of bespoke programmes and in collaboration with independent education and training providers.

On 31 March 2019 the Trust had 97 staff members engaged in Apprenticeships both as direct entrants in roles like Trainee Nursing Associates and Apprentice Building Services Design Engineer and in professional accreditation roles like Accounting and Pharmacy Software Development. Since the introduction of the Apprenticeship Levy in 2016, the Trust has worked to fully realise its investment in apprenticeships as a route to professional education and as a major point of entry for school leavers and for employees new to careers in the NHS. The Trust currently works with 15 apprenticeship providers and offers 29 programmes of study in both clinical and non-clinical disciplines.

Managing Attendance

The Trust positively promotes the health and wellbeing of its employees with a number of pro-active initiatives across the Trust to support with this and to improve attendance. When staff members become ill, managers are expected to provide appropriate support to staff

during these times. The management of sickness absence is essential to reduce costs and maintain the quality and continuation of Trust services.

Attendance data is consistently reviewed to assess performance across teams and ensure that managers apply interventions to deliver improvements. Regular training and individual support and coaching is provided to support managers to deliver this process, and reviews and case conferences take place with Occupational Health to ensure that the most appropriate support is offered to employees to help them return to work. The Absence Management Policy and Procedure has recently been updated following input from a targeted task and finish group and manager and staff briefing sessions are taking place to ensure all staff and managers are aware of the key changes.

Work is ongoing to ensure the most appropriate information is supplied to divisional managers to support them to manage absence. Both long and short term absence data is monitored and managers work to the policy to improve attendance. Sickness absence levels are reported to the Divisional Boards and then to Board of Directors on a monthly basis to ensure that there is full visibility of the information and appropriate actions are taking place to achieve improvements.

Absence information

In the year ahead, it is noted that this significant work must continue in order to make improvements. The Trust plans to support staff to improve their health and wellbeing in order to promote better health and prevent sickness absence. The Trust aims to ensure overall sickness remains below a target of 3.9%.

	Figures Converted by DH to Best Estimates of Required Data Items			Statistics Published by NHS Digital from ESR Data Warehouse	
	Average FTE 2018	Adjusted FTE days lost to Cabinet Office definitions	Average Sick Days per FTE	FTE-Days Available	FTE-Days recorded Sickness Absence
Mid Cheshire Hospitals NHS Foundation Trust	3,806	36,611	9.62	1,389,139	59,391

Equality, Diversity and Inclusion 2018/19

Mid Cheshire Hospitals NHS Foundation Trust is committed to creating an environment in which people can feel valued, where people are treated fairly and with dignity and respect.

The Trust aims to ensure that the principles of equality diversity and inclusion are embedded throughout every part of the organisation by promoting equality in service delivery and employment and challenging discrimination wherever it happens. The Trust seeks to listen to the views of patients and their families, its our workforce and their representatives and organisations from the public, private or voluntary sector.

The Equality, Diversity and Human Rights Policy sets out the Trust's aims and goals. A copy of the policy can be found on the Trust website.

<https://www.mcht.nhs.uk/about-us/equality-and-diversity/equality-and-diversity-document-library/strategy-policy-single-equality-scheme-and-related-documents/?assetdet98610=19946>

Trust Equality Governance and Objectives

Equality and Diversity at the Trust is led and monitored by the Equality and Diversity Group which meets on a quarterly basis. The group is accountable to the Executive Workforce Assurance Committee.

The Trust reviews its equality objectives every four years. The equality objectives agreed for 2016-2020 are as follows:

- To make Trust information and services accessible to the people it serves
- To increase support for Lesbian, Gay, Bisexual and Transgender (LGBT) staff
- To encourage the recruitment, conversion and progression rates of black, Asian and minority ethnic (BME) staff

- To work with partners to identify and implement methods of raising awareness of modern exploitation issues such as forced marriage, female genital mutilation (FGM), human trafficking, modern slavery and child sex exploitation.

The equality objectives for the period 2020 to 2024 are currently under consultation. Progress of achievement of the equality objectives, in addition to the work being undertaken by the Trust to promote equality of opportunity, is reported in the Equality and Diversity Annual Report.

Equality Impact Assessments

The Trust ensures an Equality Impact Assessment (EIA) is completed for each new service and policy. By undertaking EIAs across all services and Trust policies, the Trust is committing to ensuring that its policies, strategies, functions and services it delivers endeavour not to lead to any unfavourable effects on different people and help to identify any action in order to promote equality of opportunity and access. A complete set of EIAs for each patient facing service is completed on a three yearly basis. This was last undertaken in 2017.

Gender Pay Gap Report

Gender pay gap legislation was first introduced in April 2017 and requires all organisations with 250 or more employees to publish their gender pay gap annually. The gender pay gap shows the average difference in the average pay between men and women. The Trust undertook its first gender pay gap audit in January 2018 and this was repeated again in January 2019. Overall, the report found that pay variances between males and females within the Trust were influenced by the proportion of males and females within each pay band and the different ways men and women participate in the labour market due to the choice of occupations. An action plan is currently being developed to address the outcomes of the report and review the progress since the previous report. A copy of the report is available on the Trust website.

<https://www.mcht.nhs.uk/genderpaygap>

Workforce Race Equality Standard (WRES)

The Workforce Race Equality Standard assesses the workforce data to address the under-representation of Black, Asian and minority ethnic employees and ensure equal access to career opportunities and fair treatment in the workplace. NHS trusts are expected to show progress against a number of indicators of workforce equality which include recruitment opportunities, likelihood of entering the disciplinary process and accessing non-mandatory training. The Trust has undertaken the Workforce Race Equality Standard (WRES) since 2015. The most recent WRES report was completed in June 2018

and the findings are available on the Trust website. www.mcht.nhs.uk/about-us/equality-and-diversity/wres. This report is completed on an annual basis.



Pictured: the organisers and volunteers (white t-shirts) join 'Books' (black t-shirts) for the Trust's first Human Library event as part of Equality and Diversity Week 2018

Equality Delivery System

The Trust is fully committed to meeting its core requirements as set out in the Equality Act 2010 and the Public Sector Equality Duty. The Equality Delivery System (EDS2) is available to organisations to help assess and grade equality performance and is undertaken on an annual basis. The Trust's performance against the key standards was last completed in 2018 and the Trust is achieving against all of the goals with one area identified as improving. The report outlining the performance against each of the outcomes is available on the Trust website.

<https://www.mcht.nhs.uk/about-us/equality-and-diversity/equality-and-diversity-document-library/nhs-equality-delivery-system/>

Accessible Information Standard

The Trust has implemented the Accessible Information Standard. A standard operating procedure (SOP) and policy have been developed to ensure staff identify and record information and communication needs for patients, service users and carers, where those needs relate to a disability, impairment or sensory loss. The guide also assists staff in finding and providing accessible information for patients and their relatives on attending the Trust for community, outpatient visits or inpatient stays.

The opposite table provides a summary of the diversity of the Trust's workforce as at 31 March 2019.

Equality and Diversity Highlights

Employee Support Advisor Service

The Employee Support Advisor service is made up of a team of trained volunteers, Employee Support Advisors (ESAs). They offer help and support to any member of staff across the Trust who would like to discuss any concerns, worries or problems they have, whether they be in the workplace or at home. The team provides an informal, supportive and confidential environment in which discussions can take place; they are there to empathise without passing judgement and provide staff with information on the different support options available.

Staff Support Voicemail

The Trust's Staff Support Voicemail is available to all Trust staff. The service provides staff with an opportunity to voice any concerns about the way they have been treated by other employees at work, or where they have witnessed other employees being subjected to this behaviour. Available 24/7, the service is completely confidential and any data recorded is anonymous.

Disability Confident

The Trust is signed up to the government's Disability Confident scheme (which has replaced the two ticks symbol). The Trust's recruitment policy, guidance for recruiting managers and recruitment and selection training makes reference to the new scheme and what this means in terms of support for disabled people in the workforce. Additionally, the Trust is signed up to the Learning Disability pledge, a scheme whose aim is to increase numbers of people with learning disabilities in the

Age Band	Headcount	%
<=20 Years	38	0.82%
21-25	247	5.32%
26-30	523	11.26%
31-35	519	11.17%
36-40	511	11.00%
41-45	490	10.55%
46-50	627	13.50%
51-55	728	15.67%
56-60	596	12.83%
61-65	267	5.75%
66-70	74	1.59%
>=71 Years	25	0.54%
Total	4645	100%
Ethnic Group	Headcount	%
White – British & Irish	4113	88.55
White - Other	162	3.49%
Asian	178	3.83%
Black	60	1.29%
Mixed	7	0.15%
Any other Ethnic Group	28	0.60%
Not specified	84	1.81%
Chinese	13	0.28%
Total	4645	100%
Gender	Headcount	%
Female	3825	82.35%
Male	820	17.65%
Total	4645	100%
Disabled	Headcount	%
No	3705	79.76%
Not Declared	367	7.90%
Unspecified	449	9.67%
Yes	124	2.67%
Total	4645	100%

Pay Bands	Female	Male
Executives and Non-Executive Directors	6	7
Trust Senior Leaders (band 8a and above)	165	38
Other Staff	3654	775
Total	3825	820

workplace. The Trust is also preparing for the introduction of the Workforce Disability Equality Standard (WDES) which all trusts will be required to submit by August 2019.

Human Library

The Trust held its first Human Library event in May 2018 as part of Equality and Diversity week. The event titled 'don't judge a book by its cover', recruited volunteer 'books' that may have experienced discrimination or prejudice with a view to having conversations with staff ('readers') that challenge stigmas and stereotyping. This supported the Trust in improving the care it gives to its patients, improved equality and diversity in recruitment and aided personal development by challenging personal biases. The event was a success and plans are underway to repeat the event again in 2019.

Education, Training and Career Development

The Trust is committed to support and develop its workforce with ongoing education, training, career development and promotion for employees. Activities are guided by a variety of policies and applied to all staff such as the Statutory and Mandatory training policy, Vocational Training policy, Appraisal and Personal Development Review policy, Study Leave policy, Flexible Working policy and Recruitment policy.

Yearly appraisals are a mandatory Trust requirement, supported by both manager and participant training in which all employees are encouraged to discuss career development with their manager and participate in creating an individual development plan as the means to achieve their potential. The Trust has a range of grade and role specific in-house management development programmes which staff are encouraged to take part in.

Trade Union Facility Time

Trade Unions play an important role in the workplace and there are considerable benefits to both employers and employees when organisations and unions work well together. In line with the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust published its first facility time report in July 2018. Facility time is agreed time off from an individual's job to carry out a trade union role.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number in the organisation
30 (23.62 FTE)	3736.73 FTE

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	14
1-50%	16
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

The pay bill for the relevant period consists of the gross amount spent on wages, pension contributions and national insurance contributions paid by the employer in respect of its employees during the period.

Provide the total cost of facility time	£24,201.89
Provide the total pay bill	£121,344,967.91
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.12%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	29.22% or 321 hours
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Left: Logo for the government's Disability Confident Scheme, to which the Trust is signed up to

Staff Engagement

The Trust's vision, 'to deliver excellence in healthcare through innovation and collaboration', puts its staff at the heart of delivering good and safe experiences for its patients. The Trust is committed to involving staff in decision-making and keeping them informed of changes and developments across the organisation.

The Trust induction programme is the first step in helping new staff to get to know more about the Trust and how it involves and engages them in decision-making. The Trust also uses a range of well-established forums for consulting with and engaging staff and their representatives, including:

- Regular Executive and Non-Executive Director ward visits
- Director and Governor Patient Safety Walkabouts
- Regular formal and informal meetings with Trade Union representatives (Joint Local Negotiating Committee and Joint Consultation & Negotiation Committee)
- Weekly Chief Executive's Brief
- Payday Press staff newsletter
- Regular Trust briefings (Trust Update and Payday Press)
- Chief Executive engagement events
- Expo events
- Staff Focus groups
- Bright Ideas scheme
- All Together newsletter

As a Foundation Trust, the Trust benefits from having staff Governors who make a valuable contribution to the governance and development of the organisation.

The Trust also has an 'Employee of the Month' and 'Team of the Month' scheme, which provides staff with recognition for going above and beyond what is expected.

Pictured top to bottom: the front cover of the All Together newsletter for October 2018; Chief Executive Tracy Bullock judges entries at the MCHFT Healthcare Exposition ('Expo') 2018, an annual event that recognises the work of colleagues



all.together
the MCHFT newsletter
NHS 70 edition





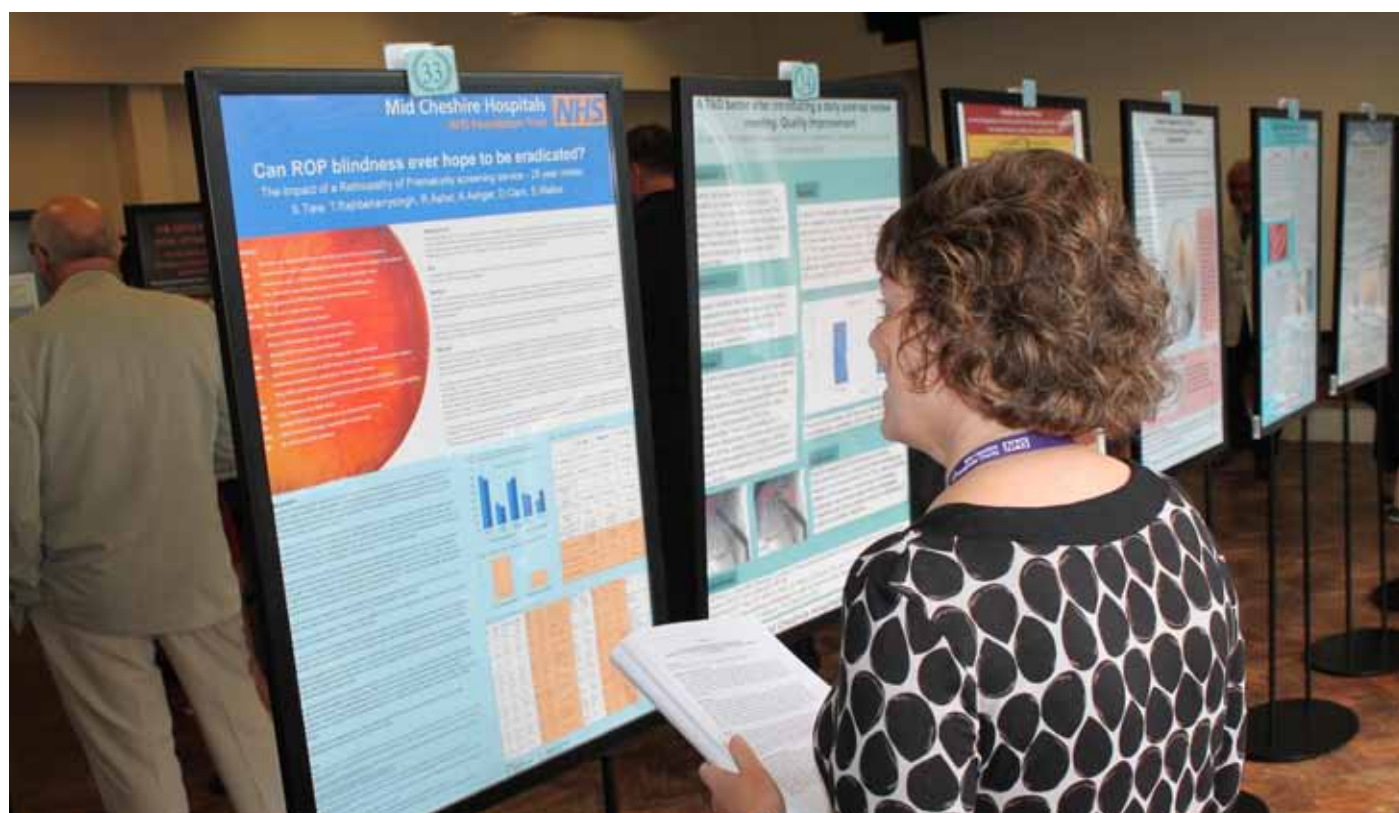


In this issue:

- Staff Celebrate #NHS70
- Trust Retains 'Good' CQC Rating
- Parents' Delight As First Child Is Born On The NHS' 70th Birthday
- 'Tireless' Campaigner Recognised
- Health and Safety Award Win For Hospital

Inspected and rated
Good
Care Quality Commission

#14
October 2018



National NHS Staff Survey 2018

Mid Cheshire Hospitals NHS Foundation Trust had 657 staff take part in the 2018 National Staff Survey out of a randomly selected sample of 1250. An overview of the 2018 results can be found on the following pages. The overall engagement score of 7.2 out of 10 in 2018 (the best score achieved by a combined acute and community trust was 7.4) is very positive and this demonstrates that the vast majority of staff feel engaged or highly engaged.

The Trust attributes its good engagement score in this area to the open and honest approach that the Board and senior leadership team take in ensuring staff are informed about the Trust's performance and key decisions being made, as well as giving staff the opportunity to put forward any views or suggestions about how the Trust can improve the experience of our patients, services users and staff.

NHS Survey Results

The 2018 NHS Staff Survey saw changes introduced to the reporting of the results. In previous years trusts have been benchmarked against 32 key findings, however based on the outcome of a review by the National Staff Survey Co-ordination Centre these key findings have now been replaced by ten themes.

The table below provides an overview of the scores achieved by the Trust against the Ten Themes.

	2017/18		2018/19		Trust improved/ deterioration
	Trust	National Average	Trust	National Average	
Response rate	54%	43%	53%	41%	Trust deterioration by 1% from previous year which is above average for combined acute and community trusts in England

Theme	2017 (Scores out of 10)	2018 (Scores out of 10)	Combined Acute and Community Trust Average	Trust Performance (when compared with all combined acute and community trusts in 2018)
Equality, Diversity and Inclusion	9.3	9.4	9.2	Above Average
Health and Wellbeing	6.4	6.1	5.9	Above Average
Immediate Managers	6.8	6.8	6.8	Average
Morale	No data	6.5	6.2	Best
Quality of Appraisals	5.3	5.6	5.4	Above Average
Quality of Care	7.7	7.6	7.4	Above Average
Safe Environment – Bullying and Harassment	8.2	8.3	8.1	Above Average
Safe Environment – Violence	9.4	9.6	9.5	Above Average
Safety Culture	6.9	6.9	6.7	Above Average
Staff Engagement	7.1	7.2	7.0	Above Average

*There is no comparative data prior to 2017 due to the significant organisational change that took place in 2016 with the inclusion of Central Cheshire Integrated Care Partnership (CCICP), which resulted in the organisation moving from an 'Acute' to a 'Combined Acute and Community Trust'.

The Trust is pleased to be able to report that the majority of staff feel engaged, motivated and are happy with the care that it provides, achieving one of the best scores nationally for staff morale.

Future Priorities and Targets

It is clear that the Trust must focus on those areas where it sits at or very close to the national average for combined acute and community Trusts, to address the issues the staff survey has highlighted.

There is some work to do to ensure that staff always feel safe, protected and cared for in their workplace and this will be a significant focus for the Trust over the coming year. The following objectives have been agreed and will form the basis of the Trust's action plan for 2019:

- The importance of leadership - engagement, visibility, communication and support
- Increase job satisfaction – recognition, reward, and feedback.
- Improve the health and wellbeing of staff – reduce work related stress
- Reduce bullying and harassment in the workplace
- Improve the quality of appraisals.

Action plans will be developed from each of the above objectives as well as any objectives identified by the divisions and Central Cheshire Integrated Care Partnership (CCICP) that will focus on delivering

sustainable improvement in the experience of the Trust's staff. The action plans will be regularly reviewed by the Executive Workforce Assurance Group, which is chaired by the Director of Workforce and OD to ensure milestones are achieved.

Occupational Health

The Cheshire Occupational Health Service is an established, collaborative service hosted by Mid Cheshire Hospitals NHS Foundation Trust and delivered in partnership with East Cheshire NHS Trust. Both organisations take the health and wellbeing of their staff seriously and take positive action on promoting physical, psychological, social and financial wellbeing.

Accredited under the Faculty of Occupational Medicine 'Safe Effective Quality Occupational Health Service' standards, Cheshire Occupational Health Service supports NHS staff at the Trust and East Cheshire NHS Trust. The team also delivers services to The Christie NHS Foundation Trust, Clinical Commissioning Groups (Eastern Cheshire, South Cheshire and Vale Royal), GP Alliance Board and a number of organisations in the private sector.

Throughout the year the Occupational Health Service continued to work closely with line managers, Human Resource managers, counsellors, physiotherapists and staff to effectively manage sickness absence levels in a caring, compassionate manner. The team also led the influenza campaign and successfully ensured compliance with Public Health England targets to immunise 75% of front line healthcare workers.

The Occupational Health Service Manager for the Trust represented Cheshire and Merseyside as the Occupational Health lead for streamlining. A key milestone delivered during the period was the successful implementation across the North West of an interim process for the transfer of immunisation and vaccination details for staff transferring between NHS organisations. The close, collaborative working with other regional NHS Occupational Health services was widely recognised by the Streamlining Programme Board and is planned to be replicated across other work streams.

A key challenge for the service in the year ahead relates to the upgrading of the bespoke Occupational Health Information Technology system. This move to a leading edge, web based solution will require close management to minimise disruption whilst ensuring Occupational Health staff are supported throughout the transition.

Health and Wellbeing

The Trust is fully committed to the health and wellbeing of its employees and patients, a fact that is reiterated in policies, procedures and actions. The Trust has an Executive Lead for health and wellbeing (Director of Workforce and Organisational Development), along with a well-established Health and Wellbeing Group led by the Occupational Health Service Manager and one of the Trust's Divisional HR Managers. The Group has formal terms of reference and reports into the Executive Workforce Assurance Group.



Pictured top to bottom: the Trust's first cohort of Mental Health First Aiders receive their certificates following training

The work plan for the Group is informed by Commissioning for Quality and Innovation targets as well as National Institute for Clinical Excellence guidance. A key focus for the Group this year has been to promote positive mental wellbeing amongst its staff. This included the introduction of a cohort of seventeen staff trained as Mental Health First Aid Champions. This group of staff has received specific training accredited by Mental Health First Aid England to enable them to support colleagues with their psychological wellbeing and to encourage confidential conversations about mental health.

Additional mental health support for staff was provided in the form of a list of free-to-download mental health apps which has proved particularly popular with staff and has subsequently also been offered to patients. Resilience training for staff continues to be offered not only to Trust staff but also to individuals employed by local Clinical Commissioning Groups, with all sessions being delivered by a small group of Trust staff.

The development of a collaborative partnership with community mental health teams in Cheshire through Improved Access to Psychological Therapies, enabled the Trust to offer staff a number of mindfulness sessions. These sessions have been well attended by staff and further sessions are being planned for the year ahead. In conjunction with the Physiotherapy Department, the Health and Wellbeing Group funded a pilot offering improved access to physiotherapy services. Specifically aimed at staff suffering from musculoskeletal conditions, the service offers early intervention and advice to keep staff healthy and in work or to facilitate a rapid return for those off sick. The pilot draws to a close at the end of March and will be followed by an evaluation to inform future rollout.

The promotion of a caring, compassionate culture remains at the heart of staff health and wellbeing at the Trust. In February, the Group launched a 'Random Acts of Kindness Challenge' where staff were invited to complete a random act of kindness aimed at colleagues, patients and visitors. In addition, staff were asked to fill a mug with a small

number of treats and leave it in secret for a colleague that they wished to thank or to simply acknowledge their efforts. Known as the 'Cup of Kindness' the gesture proved very popular with staff and soon went viral. It is hoped the campaign will continue as the gesture is passed forward from staff to staff.

A key focus for the year ahead will be the launch of a new Employee Assistance Programme and counselling service for staff. As well as improving support for mental wellbeing, this service will also offer robust advice and support on financial wellbeing and debt management. As a key contributor to overall wellbeing, it will be important to raise awareness of this service so that uptake amongst staff is optimised.

The Health and Wellbeing Group is also focused on delivering another Trust-wide health and wellbeing event. Scheduled for early May 2019, this will be the second trust wide event and follows a very successful event in 2018 that saw over fifteen percent of staff attend. The event is designed to showcase and raise awareness of the wide range of wellbeing related services. The event is supported by internal and external exhibitors and is an important occasion to reinforce the Trust's commitment to improving the health and wellbeing of staff. It is an opportunity for the Group to bring the Trust's Health and Wellbeing strategy to life.



Volunteer Team

The Trust's volunteer team consists of approximately 300 volunteers providing assistance in over 35 different roles. The Voluntary Services department is committed to reviewing volunteer roles and matching them with an individual's skills and talents and the changing needs of the Trust. 2018/19 saw the introduction of new volunteer roles to the Trust which included: Neo Natal Peer Support, Learning & Development, Dining Companions. Volunteers continue to support across the Trust in the traditional volunteer roles including: Ward Assistants, Outpatients Department, Chaplaincy, Radio and the Macmillan Unit. In 2018/19 volunteers were also recruited to support the Outpatient department at Northwich Infirmary.

On 14 November 2018, Leighton Hospital Radio, which is completely volunteer led, celebrated its 50th anniversary. The occasion was marked with a display in the Outpatients department, presenting photos and memorabilia from over the five decades and two special radio programmes were aired.

The Trust continues to partner with outside organisations such as the on-ward befriending service provided by Royal Voluntary Services and regular canine visits from Pets as Therapy. Several garden areas at Leighton Hospital continue to receive ongoing maintenance by teams from Barclays' corporate social responsibility programme. In addition, the Macmillan Cancer Unit's garden is attended to by Bentley Motors' volunteer group, 'Give back gardeners'.

The Voluntary Services department is committed to delivering a positive and engaging volunteer programme which volunteers will find rewarding and fulfilling, whilst also making a positive and substantial contribution to the patient experience. 2019/20 will see further recruitment, increasing volunteer support on wards and departments across the Trust. An example of this being the introduction of 'Meet and Greet' volunteers to the Emergency Department. All volunteer roles have one single aim: improving a patient's experience while they are in the hospital. This can be as simple as greeting someone arriving in Outpatients,

helping provide directions in the main entrance to holding a patient's hand in eye theatre while they undergo cataract surgery under local anaesthetic.

Further details of the work of The Trust's volunteers is included within the Quality Report.



Pictured top to bottom: the Macmillan Cancer Unit's garden, which is maintained by 'Give back gardeners'; Stewart Green, Tracy Bullock, Bob Squirrel and Anthea Taylor from Hospital Radio celebrate the station's 50th birthday

Trust's policy on off-payroll arrangements

The Trust limits its use of off-payroll arrangements for highly paid staff. Executive Director approval is required. Staff engaged off-payroll for a duration of longer than six months during 2018/19 can be found in the table below.

For all off-payroll engagements as of 31 Mar 2018, for more than £220 per day and that last for longer than six months	2017/18
No. of existing engagements as of 31 Mar 2018 of which:	0
Number that have existed for less than one year at the time of reporting	0
Number that have existed for between one and two years at the time of reporting	-
Number that have existed for between two and three years at the time of reporting	-
Number that have existed for between three and four years at the time of reporting	-
Number that have existed for four or more years at the time of reporting	-

For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2018 and 31 Mar 2019, for more than £220 per day and that last for longer than six months	2018/19 Number of Engagements
Number of new engagements, or those that reached six months in duration between 1 April 2015 and 31 March 2016	0
Number of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and national insurance obligations	-
Number for whom assurance has been requested	-
Of which:	
Number for whom assurance has been received	-
Number for whom assurance has not been received	-
Number that have been terminated as a result of assurance not being received	-

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 Apr 2018 and 31 Mar 2019	2017/18 Number of Engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	-
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.	13

3.4 NHS Foundation Trust Code of Governance

Mid Cheshire Hospitals 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 Board of Directors has in place governance policies and procedures that reflect the principles of the NHS Foundation Trust Code of Governance which include:

- Annually updated Corporate Governance Manual, which includes the Standing Orders of the Board of Directors, Standing Orders of the Council of Governors, Standing Financial Instructions, Scheme of Reservation and Delegation of Powers
- A Trust Constitution is in place and was fully reviewed in 2018
- Standards of conduct for the staff of the Trust in accordance with NHS values and the Nolan Principles of behaviour in public life
- All Directors are subject to the 'Fit and Proper Persons Test' on recruitment to the Trust and on an annual basis
- Induction programme for Executive and Non-Executive Directors
- Non-Executive Director regular private meetings with the Chairman
- Recruitment process for Non-Executive Directors, including the Chairman, led by the Nominations and Remuneration Committee
- Formal induction programme for Governors
- Senior Independent Director in place
- Annual Board of Director and Council of Governor evaluations and development plans
- Register of Interests for Directors, Governors, Senior Managers and Decision Makers held and published
- Maintained attendance records for Director and Governor meetings and committees
- Formal performance appraisal process for Non-Executive Directors developed and approved by the Council of Governors
- Formal performance appraisal process for the Chairman led by the Senior Independent Director, developed and approved by the Council of Governors
- Formal performance appraisal process for the Chairman and Non-Executive Directors which determine individual and collective professional development programmes relevant to their individual duties and collective responsibility as board members
- Regular Governor meetings with the Chairman and Non-Executive Directors to review issues reviewed at Board of Directors' meetings
- Quarterly performance report produced by the Chief Executive and provided to the Council of Governors
- Council of Governor Agenda Setting meetings
- Membership and Communication Strategy in place for engaging with Trust Membership
- Annual Report and Accounts presented to Governors and Members at the Annual Members Meeting
- Strategy workshop held with Governors
- Code of Conduct for Governors and Board
- Good quality and timely reports presented to the Board of Directors and Council of Governors
- Governor led re-appointment process for the external auditor of the Trust.

With the exception of the following the Trust followed the Code during 2018/19:

Code of Governance reference	Relating to	Summary of requirement	Explanation
A.5.6	Council of Governors	The council should establish a policy for engagement with the Board of Directors for those circumstances when they have concerns.	The Board recognises that there is no defined policy in place but there are strong working processes in place for Governors to raise concerns through: their regular meetings with Non-Executive Directors; meetings with the Chairman on an individual basis; private Governor meetings chaired by the Lead Governor; at the Council of Governor's general meetings; through the Senior Independent Directors; any Director of the Trust or by contacting the Trust Board Secretary. These methods for raising concerns are detailed in the Corporate Governance Handbook and in the Governor Handbook which is provided to each Governor as part of their induction.
B.7.1	Board of Directors	At least half of the Board, excluding the chairperson, should comprise Non-Executive Directors determined to be independent.	<p>It is a recommendation that Non-Executive Directors serve no more than six years in order to maintain their independence, however the Trust's Council of Governors with the support of the Board in 2015 considered that the Senior Independent Director was sufficiently independent to be re-appointed by the Council of Governors in 2016 for a further three years until January 2019. This followed a recruitment campaign led by Hays Executive Recruitment via open competition. This judgement of independence is assessed annually for all Non-Executive Directors through the appraisal process which is overseen by the Governor's Nominations and Remuneration Committee. The Council of Governor's decision was based on the outstanding performance shown at interview and his past contribution and performance as Chair of Audit Committee and as a Non-Executive Director. In 2018 another Non-Executive Director was appointed to a seventh year to provide continuity for Audit and Performance and Finance Committee as the Chair of both of these was stepping down in January 2019. This Non-Executive Director has been appointed Senior Independent Director and will complete their additional year in January 2020.</p> <p>All Non-Executive Directors at the Trust have been judged to be independent.</p>
D.2.3	Council of Governors / Remuneration Committee	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	The Nomination and Remuneration Committee annually reviews the remuneration of the Non-Executive Directors including the Chairperson. This process uses NHS Provider remuneration survey results, peer data and NHS Annual Reports to ensure that the Trust is paying its Non-Executives in line with peers and at a suitable level for their time commitment and responsibilities. This review is performed by the Trust Board Secretary using the same resources that an external professional adviser would use.

4.6 Single Oversight Framework and Regulatory Ratings

NHS Improvement, incorporating the former Foundation Trust regulator, Monitor, is the regulator for health services in England and has a role to protect and promote the interests of patients.

NHS Improvement assesses and monitors the performance of NHS Foundation Trusts against the Trust's annual plan with the majority of NHS Foundation Trusts assessed on a monthly basis.

Since Quarter 2 of 2016 the assessment of performance has been against the Single Oversight Framework, which was developed to recognise the wider context of Trust performance to include: Quality of Care, (in line with CQC assessments), Finance and Use of Resources, (widening the assessment to be meeting financial control totals), Operational Performance, (national standards and targets), Strategic Change, (using STP and transformation plans) and Leadership and Improvement Capability, (Well Led Reviews).

The Governance ratings are based on Segmentation Ratings as detailed within the Single Oversight Framework. These ratings range from 1, (voluntary use of external support on request only) to 5, (mandated support

determined by NHS Improvement). During 2018/19 the Trust has been rated in Segment 2 for Governance. This was in line with the continued challenge around meeting the four hour transit time standard.

From the financial perspective the Trust is measured against a financial sustainability rating which measures the Trust on a scale of 1 to 4 with 1 being the least risk and 4 the most. The Trust has submitted the 2019/20 plan in accordance with requirements and this plan delivers the required financial position, accepting the control total allocated and associated funding which is attached to this through the Provider Sustainability Fund. This supports a target scoring on Finance and Use of Resources of Level 3. This is in line with the 2018/19 score of 2 which was influenced by the Trust's ability to service its debt and lower levels of liquidity.

A summary of the results by quarter are shown below for the financial year 2017/18 and 2018/19.

2017/18	2018/19				2017/18			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Governance rating segment	2	2	2	2	2	2	2	2

Finance and Use of Resources

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

**Continuity of Service rating (rated 1-4, 1 represents the lowest risk and 4 the highest risk).*

4.7 Statement of the Chief Executive's Responsibilities as the Accounting Officer of Mid Cheshire Hospitals 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 Mid Cheshire Hospitals 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 Mid Cheshire Hospitals NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

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

- 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.



Dr Paul Dodds

Interim Chief Executive & Accounting Officer

Date: 20 May 2019

4.8 Annual Governance Statement

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.

I hold the role of Chief Executive within the Trust on an interim basis, this arrangement commenced on 01 April 2019, and will be in place until the substantive post holder commences with the Trust in Summer 2019.

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 Mid Cheshire Hospitals 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 Mid Cheshire Hospitals 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

During 2018/19, through the governance structure and with support from the Trust's Medical Director / Deputy Chief Executive, the previous Chief Executive/Accounting Officer provided leadership in respect of risk management processes, as evidenced through the Risk Management Strategy & Assurance Framework 2017/20 and the Corporate Governance Handbook. The Risk Management Strategy & Assurance Framework 2017/20 provides a framework for managing risk across the Trust which is consistent with best practice and national guidance. The Risk Management Strategy & Assurance Framework 2017/20 provides a clear, structured and systematic approach to the management of risks, to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation. The strategy sets out the role of the Board of Directors and its sub-committees, together with the individual responsibilities of the Chief Executive, Executive Directors and all staff

in managing risk. In particular, the Quality Governance Committee provides the mechanism for managing and monitoring risk throughout the Trust and through to the Board of Directors. The Audit Committee oversees the systems of internal control and the overall assurance process associated with managing risk.

The Board of Directors receives assurance through the Quality Governance Committee and the associated sub-groups on all serious incidents, including Never Events, as well as receiving reports on complaints, claims and incidents regularly. The Trust has mechanisms to act upon alerts and recommendations made by all relevant central bodies.

Appropriate and targeted risk management training is delivered as an integral part of the Trust's mandatory training programme. Risk management training is also provided through the induction programme for new staff. The corporate induction programme ensures that all new staff are provided with details of the Trust's risk management systems and processes and is augmented by local induction organised by line managers. This includes the comprehensive induction of all junior doctors with regard to key policies, standards and practice prior to commencement in clinical areas. All Board members and senior managers attend, as a minimum, the Trust's mandatory training. Additional risk management training is included as appropriate in Board Development programme and focuses on key issues, particularly changes in legislation.

The Trust aims to minimise adverse outcomes to the organisation, staff, estate and, particularly, the patients who use its services, through adequate supervision and training, appropriate delegation, continuous review of processes and the sharing of lessons learned and best practice via Trust wide and Divisional governance systems.

The risk and control framework

The framework of risk control is established by the Risk Management Strategy & Assurance Framework 2017/20 and requires all staff to actively participate in the identification, assessment and management of risk. The risk control objective is to reduce risks to a reasonable level consistent with the Trust's vision "to deliver excellence in healthcare through innovation and collaboration".

The process of risk management begins with the systematic identification of risks throughout the organisation via structured risk assessments. Identified risks are documented on the risk register and then analysed in order to determine their relative importance using a risk scoring matrix. Measures to control the risk are identified and implemented to reduce the potential for the risk realising harm or damage. Many control measures do not require extra funding and these

are implemented as soon as reasonably practicable. However, where risk control requires extra funding, then a risk funding process determines how best to use the Trust's financial resources to control that risk. Risk appetite / acceptable risk is defined in the Risk Management Strategy & Assurance Framework 2017/20, with clearly defined authorities to manage risk and support decision making. The Board of Directors is kept fully informed of all significant risks and assurance is provided on the plans to mitigate them.

Awareness of, and responsibility for, risk issues are linked explicitly to key objectives in order to build a sustainable risk management culture. There is delegated responsibility for risks at every level in the Trust as defined by the Risk Management Strategy & Assurance Framework 2017/20. The key objectives are inherently linked to risks and these are contained within the Board Assurance Framework. The Board Assurance Framework sets out the principal risks to the delivery of the Trust's strategic objectives. The Executive Director with delegated responsibility for managing and monitoring each risk on the Board Assurance Framework is clearly identified. The Board Assurance Framework identifies the key controls in place to manage each of the principal risks and explains how the Board of Directors receives assurance that these controls are in place and operating effectively. The Board of Directors undertakes a formal review of the risks to its key objectives quarterly. The related controls and action plans that have been drawn up are also considered by the Board of Directors.

An Organisational Risk Register is maintained and managed that links to the Board Assurance Framework. These risks are reviewed by a number of groups to ensure that risks are being mitigated as appropriate. The Quality Governance Committee is chaired by a Non-Executive Director and has delegated authority to provide assurances to the Board of Directors in matters relating to risk management, quality, safety and experience performance, including continued compliance with Care Quality Commission registration requirements.

The work of the Quality Governance Committee is supported by four Executive led key sub-groups:

- Executive Quality Governance Group
- Executive Patient Experience Group
- Executive Safeguarding Group
- Executive Infection, Prevention and Control Group.

Specialist groups (e.g. medicines management), the Patient Safety Summit and the Health and Safety Group support the Executive led functions. The Divisions and Central Cheshire Integrated Care Partnership (CCICP) hold local governance meetings, ensuring a care environment to Board approach of timely escalation, assurances and feedback.

Incident reporting is actively promoted through staff training and further embedded by the management of incident investigations. Serious incidents undergo a detailed investigation and an Executive Director led root

cause analysis, the results of which are shared with the patient and relatives. Lessons learned from incidents, claims and complaints, together with examples of good practice, are disseminated throughout the Trust so that learning can be truly Trust wide.

Data security is crucial for the Trust and any risks to data quality and data security are continuously assessed and added to the Trust's risk register.

The Trust has completed the 2019/20 Data Security and Protection Toolkit submission, achieving 99 of 100 mandatory assertions, resulting in a 'Standards Not Met' overall assessment. The Trust did not achieve the assertion requirement in relation to the percentage of staff successfully completing the Level 1 Data Security Awareness training. An improvement plan is in place to achieve the required training compliance by July 2019.

Internal assurance is provided by the Trust's internal auditors, as well as review by the Trust's Executive Information Governance Group, which reports up through the governance reporting processes to the Board of Directors.

A Quality and Safety Improvement Strategy has been implemented which aims to improve the quality of care provided for patients and reduce avoidable harm. The Board of Directors is assured on progress against the metrics within the strategy via the Quality Governance Committee. The Quality Account, within this Annual Report and Accounts, describes quality improvements and quality governance in more detail.

The Chief Executive and the Director of Nursing and Quality meet with the Care Quality Commission on a quarterly basis. The Trust continues to be unconditionally registered with the Care Quality Commission. The last Inspection by the Care Quality Commission took place in March - May 2018 and the report, published in September 2018, rated the Trust as 'Good'. The Trust continues to ensure that the requirements set out within the Health & Social Care Act (regulated activities) Regulations 2015 are being met and assurance around these are brought together at the Quality Governance Committee.

During 2018/19 the Trust's major risks related to:

[Workforce capacity and skill mix to consistently deliver high quality care, seven days a week](#)

During 2018/19 the Trust has recruited additional Consultants in the major acute specialties and has reviewed Consultant job plans to increase on site "out of hours" Consultant presence. Divisional business cases have been developed to support the expansion of Consultant numbers to deliver the Seven Day Services Clinical Standards, with particular attention on the four priority Clinical Standards. The Trust has participated in the national Seven Day Services Survey and its benchmarked performance in this survey is reviewed at the Seven Day Services Steering Group. The Trust has also recruited to a number of additional roles including pharmacy technicians, therapy support, and trainee

nursing associates to support the registered nurses in the clinical areas. The Trust is developing an Advanced Clinical Practitioner (ACP) Strategy to increase the ACP roles within various specialities and to supplement the “out of hours” workforce delivering direct clinical care to patients. The longer term recruitment plans include a UK adaptation programme for overseas nurses to convert from HCA to registered nurse and the Board of Directors has approved a business case for international nurse recruitment, to boost our registered nurse numbers.

The Trust has a Critical Care Outreach Service available 24/7 along with prompt access to diagnostic services, including medical imaging and pathology. The NEWS2 was introduced into the Trust in November 2018 under the supervision of the Trust’s Deteriorating Patient Steering Group. The Trust has an Escalation Policy and a number of clinical pathways in place, to support the consistent delivery of high quality care. Furthermore, the Trust has continued to develop robust clinical pathways with the University Hospitals of North Midlands NHS Trust to ensure that patients receive appropriate, high quality care “out of hours” (e.g. stroke thrombolysis). The Trust has engaged in the Getting It Right First Time national programme and a number of local improvements have been implemented. Engagement in the programme will continue in 2019/20. The Trust has made significant progress on delivering the Advancing Quality Programme for 2018/19, focusing on several care pathways, including sepsis. Incidents associated with this risk are routinely reported and discussed at the fortnightly Patient Safety Summit.

Long term financial sustainability of the Trust

The Trust has delivered a range of cost improvement programmes and whilst it has missed its financial control total for 2018/19, the Trust has still delivered a surplus of £1M, excluding the technical impact of the revaluation of the Trusts estate.

The Trust has delivered a range of cost improvement programmes but has failed to deliver its financial control total for 2018/19. The Trust was previously part of the Capped Expenditure Programme and although this has concluded, the Trust and system partners continue to adopt the Programme’s principles, which have enabled continued delivery of further savings across the health economy. Work on internal transformation programmes to improve efficiencies has continued alongside the wider collaborations of the “Stronger Together” Programme with the University Hospitals of North Midlands and the wider engagement at all levels with the Health and Care Partnership for Cheshire & Merseyside. As part of a partnership, the Trust acquired the provision of Community Services from 1 October 2016. During 2018/19 this partnership has strengthened the Trust’s financial position through the efficiency opportunities that have been identified. The Trust underwent a NHS Improvement Use of Resources assessment in March 2018 and the Report, published in September 2018, rated the Trust as ‘Good’. Monitoring of financial performance has been undertaken internally by the Board of Directors, the Performance and Finance Committee and the Divisional Boards

Lack of funding to implement the Information Management and Technology (IM&T) Strategy

In January 2019, the Board of Directors approved the Trust’s Digital Strategy 2018 – 2022. This is centred on an electronic patient record and supports whole system service transformation and integration. The main challenge to delivering the strategy is the financial affordability, although the Board of Directors does not underestimate the level of organisational development support that will be required for the organisation to undergo the necessary culture change. The Outline Business Case for the Digital Clinical System was approved at Board of Directors on the 7th January 2019.

Delivery of key local and national targets and standards, in particular the 4 hour standard in the Emergency Department

The Trust performed well against most of the local and national standards and targets, particularly the suite of cancer standards and access waiting times, including diagnostics. The standard for patients being admitted or discharged from the Emergency Department within four hours of that decision has not been achieved. The Performance and Finance Committee has oversight of this standard, whilst system-wide plans to improve performance are reviewed at the Accident and Emergency Delivery Board.

Lack of pace in the significant transformational change required to deliver the Cheshire East Place Strategy and consequently the Health and Care Partnership (HCP) for Cheshire & Mersey

The Health and Care Partnership brings together NHS organisations, local authorities and other partners to work together to deliver the priorities from the NHS Long Term Plan. The Trust, along with other NHS organisations and local authorities, have formed nine discrete areas (Places) across Cheshire and Merseyside to develop ideas and proposals. Some of these ideas have been included in the Health and Care Partnership for Cheshire and Merseyside Business Plan for 2018/19, whilst others are in development. The local Place is referred to as Cheshire East Place. Governance arrangements have been established for the Cheshire East Place and work continues on the development of the local strategy. Sufficient resource and capacity continue to pose a challenge to the effective delivery of transformational change at the pace desired by the Trust.

EU Exit

The EU Exit Operational Readiness Guidance published by the Department of Health & Social Care in December 2018, placed an expectation on the Trust to undertake an assessment of risks associated with EU Exit by the end of January 2019. A Trust-wide risk assessment has been produced, with the content approved by the Executive Senior Responsible Officer. The seven areas of activity in the health and care system that the Department of Health and Social Care is focussing on in its ‘No Deal’ exit contingency planning have also been subject to risk assessments. These areas are:

- Supply of medicines and vaccines
- Supply of medical devices and clinical consumables
- Supply of non-clinical consumables, goods and services
- Workforce
- Reciprocal healthcare
- Research and clinical trials, and
- Data sharing, processing and access.

The key risks for 2019/20 are:

- Workforce capacity and skill mix to consistently deliver high quality care, seven days a week
- The financial sustainability of the Trust
- Delivery of key local and National targets and standards, in particular the 4 hour standard in A&E
- Cyber Security
- The potential acquisition of the South Cheshire Private Hospital
- The lack of pace in the significant transformational change required to deliver the Cheshire East Place Strategy.

The Trust has assessed compliance with the NHS Foundation Trust Condition 4 (FT Governance). The Trust believes that effective systems and processes are in place to maintain and monitor the following conditions:

- The effectiveness of governance structures including a robust governance meeting structure, with fully constituted terms of reference and escalation processes
- The responsibilities of Directors and sub-groups as contained within terms of reference that are reviewed annually, as well as work plans that are reviewed at every meeting
- Reporting lines and accountabilities between the Board of Directors, its sub-groups and the Executive team
- The submission of timely and accurate information to assess risks to compliance with the Trust's licence
- The degree and rigour of oversight the Board of Directors has over the Trust's performance.

These conditions are detailed within the Corporate Governance Statement and the Board of Directors are able to assure itself of the validity of its Corporate Governance Statement under NHS Foundation Trust Conditions 4 (8) (b).

Throughout the year the Chairman, the Chief Executive Officer and members of the Executive Team have met regularly with public stakeholders, Clinical Commissioning Groups and with partners in the local health economy to engage in discussions where any issues of risk could be highlighted. The Clinical Commissioning Groups are also invited to contribute to the Trust's strategy to ensure that the health economy commissioning intentions are incorporated.

Governors and Members provide vital channels of communication with the general public and are encouraged to bring issues of concern swiftly to the

attention of the Trust.

The Board of Directors approved the Workforce and Organisational Development Strategy (Our Workforce Matters Strategy), which provides short, medium and long term measures to ensure that the right staff, with the right skills, are in the right place at the right time, in line with the 'Developing Workforce Safeguards' recommendations.

The Board of Directors reviews workforce metrics on a monthly basis and also receives assurance from the Director of Nursing and Quality once a year on safe staffing levels, based on evidence based tools, professional judgement and outcome data.

The Transformation and People Committee reviews workforce metrics on a monthly basis, which are informed and escalated firstly through Divisional level reporting at ward and departmental level, and then through the Executive Workforce Advisory Group. The Committee also ensures that all Trust service change programmes are quality impact assessed in relation to safe staffing.

The Transformation and People Committee receives the Annual Workforce Plan which is developed by multi-professional service heads, with the support of the Workforce and Organisational Development function. All transformation and change plans are reported to the Committee and areas of significant change are escalated to the Board of Directors accordingly.

The National Staff Survey results are reported to the Board of Directors annually. Key themes for improvement are driven by the Divisions, with oversight from the Transformation and People Committee.

Workforce policies and procedures are reviewed in accordance with best practice and are approved through the Trust's committee structure, up to the Board of Directors where appropriate. Employment cases are reviewed monthly at the Executive Workforce Advisory Group, to monitor themes around grievance, sickness, disciplinary and freedom to speak up. Actions to address concerns are monitored through this Group and escalated through the committee structure as necessary.

On a day to day basis staffing levels are risk assessed, with Standard Operating Procedures in place to describe the minimum staffing levels within clinical areas. This is reported at the daily bed management meetings, with risks being escalated up to the Executives as appropriate. Electronic staff records and e-roster are used to deploy staff as effectively as possible, utilising bank staff to fill gaps where necessary. Agency usage is monitored on a weekly basis, with monthly reporting via the committees up to the Board of Directors.

All staff undergo an annual appraisal which includes compliance with mandatory training, personal and team performance, delivery of objectives and personal development needs.

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission.

The 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.

The 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.

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

The Board Assurance Framework provides the Board of Directors with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives has been reviewed. My review is also informed by:

- 'Our Workforce Matters Strategy' that ensures frontline services have appropriately trained staff to carry out the required level of clinical care
- A Transformation and People Committee that reviews projects aimed at improving the efficient and effective use of resources
- Improvements arising from the recommendations of the speciality specific Getting It Right First Time programme and other external reviews which have been reported through the Quality Governance Committee and integrated into the Trust's Divisional quality review process
- A number of assessments and inspections by regulatory authorities and other third parties which have included the Health Protection Agency, the Care Quality Commission, the Medicines and Healthcare Products Regulatory Agency, the United Kingdom Accreditation Service, the Human Tissue Authority, the Bowel Cancer Screening Programme, a Critical Care Peer Review, and quality visits to a number of wards by the South Cheshire and Vale Royal Clinical Commissioning Groups
- The internal audit work programme 2018/19 and associated assurances and progression against areas identified for action.

Information Governance

A summary of serious incidents requiring investigations involving personal data as reported to the Information Commissioner's Office (ICO) in 2018/19 is provided in the table below. No action has been taken by the ICO in this financial year.

Date of Incident (Month)	Nature of Incident	Number affected	How were patients informed	Lessons Learned
June 2018	Dropped Patient List	8	Patients were not informed	Staff in the department reflected and repeated their IG Training. Department information to be transferred in correct bag to avoid loss.
November 2018	Care Plan posted incorrectly by staff member to wrong address	1	Patient contacted the Trust	Community Staff will ensure that information is only posted in an envelope and correctly marked. Extra care to be taken when hand delivering items.
February 2019	A version of a Video relating to Trust implementation of a new e-handover initiative was displayed on YouTube by a third party. Patient information could be seen on white boards.	24	Patients were informed	Processes relating to third party media use have been reviewed.

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 Boards on the form and content of Annual Quality Accounts which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The Annual Quality Account 2018/19 has been developed in line with relevant national guidance. The Trust has a Quality and Safety Improvement Strategy Group, chaired by the Director of Nursing and Quality, which is responsible for the development of the Quality Account and the monitoring of the operational delivery of the Quality and Safety Improvement Strategy. This group has senior representation from the Patient Experience Team, Quality Governance Team, Infection Control Team, medical and nursing staff and the Information Department. Minutes from the group and items for escalation are reported to the Executive Quality Governance Group.

The Quality Account has also been reviewed by external audit processes and comments have been provided by local stakeholders including commissioners, patients and Healthwatch.

Controls are in place to ensure that all the Trust's staff have the appropriate skills and expertise to perform their duties. This includes the provision of appropriate training

and knowledge of the relevant policies and guidance.

This ensures that the data used to assess the quality of the Trust's performance is reliably collected and prepared by staff. Data quality issues are addressed through the Trust's information governance systems in line with its Data Quality Policy. In addition, an ongoing programme of work through Internal Audit systematically reviews the underlying data quality.

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, the Executive Directors and the Divisional Senior Management Teams within Mid Cheshire Hospitals 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 Account 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 Governance Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board Assurance Framework and Organisational Risk Register are reviewed at least four times a year and provide the Board of Directors with evidence of the

effectiveness of controls in place to manage the risks to achieving the Trust's principal objectives.

Internal audit provides the Board of Directors with an opinion about the effectiveness of the assurance framework and the internal controls as part of the internal audit plan. Work undertaken by internal audit is reviewed by the Board sub-committees, including the Audit Committee.

In February 2018 the Board of Directors undertook an internal review to assess whether services are well-led using NHS Improvement's "Developmental Reviews of Leadership & Governance using the Well-Led Framework". This review provided significant assurance against many of the areas in the framework, highlighted where internal improvement actions were necessary and determined the focus points for an externally facilitated review. In May 2018 the Board of Directors commissioned an external review to provide recommendations on development opportunities on the focus points identified by the Board's internal review. The external report was completed in December 2018 and presented to the Board of Directors in February 2019 by the external facilitators. An improvement plan has subsequently been developed and this will be progressed during 2019.

This review of effectiveness is also informed by the external audit opinion, inspections carried out by the Care Quality Commission and other external agencies, and visits of accreditation. In assessing and managing risk, the Trust has well established processes to ensure the effectiveness of the systems of internal control including:

- Board of Directors – through the approval and review of the Board Assurance Framework, the review of key performance indicators and the receiving of escalations from committees and groups
- Audit Committee – through the review of the internal audit programme and subsequent receipt of their reports, receipt of external audit reports and assurances gained through management reviews requested by the Audit Committee
- Quality Governance Committee – through the review and management of the Trust's Board Assurance Framework and risk register, the scrutiny of serious incidents and the review of the clinical audit work programme.

Conclusion

In conclusion, on the basis of the evidence provided I am satisfied that the Trust has effective governance assurance systems in place which enable the identification and control of risks reported through the Board Assurance Framework and Organisational Risk Register. Internal and external reviews, audits and inspections provide assurance that no significant internal control issues have been identified during 2018/19.

Where weaknesses have been identified, appropriate plans are in place to deliver the required improvements. These are monitored and assurance sought via the Trust's governance framework.



Dr Paul Dodds

Interim Chief Executive & Accounting Officer

Date: 20 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS AND BOARD OF DIRECTORS OF MID CHESHIRE HOSPITALS NHS FOUNDATION TRUST

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Mid Cheshire Hospitals NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):

- **give a true and fair view of the state of the group's and foundation trust's affairs as at 31 March 2019 and of the group's and foundation trust's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

We have audited the financial statements which comprise:

- the group and foundation trust statements of comprehensive income;
- the group and foundation trust statement of financial position;
- the group and foundation trust statements of cash flow;
- the group and foundation trust statements of changes in taxpayers' equity;
- the statement of accounting policies; and
- the related notes 1 to 36.



The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	<p>The key audit matter that we identified in the current year was revenue recognition.</p> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	<p>The materiality that we used for the group financial statements was £5.2m which was determined on the basis of 2% of operating income.</p>
Scoping	<p>We focussed our group audit scope primarily on the Trust. Audit work was performed at the Group's head offices at Leighton Hospital directly by the audit engagement team, led by the audit partner.</p>

Significant changes in our approach

We have not included property valuations as a key audit matter this year as the Trust did not make significant changes to the valuation of its estate in 2018/19.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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.

NHS revenue and provisions

Key audit matter description



As described in note 1, Accounting Policies and note 1.5, Critical Accounting Judgements and Key Sources of Estimation Uncertainty, there are significant judgements in recognition of revenue from care of NHS service users and in provisioning for disputes with commissioners due to:

- the complexity of the Payment by Results regime, in particular in determining the level of over performance and Commissioning for Quality and Innovation revenue to recognise;
- the judgemental nature of accounting for disputes, including in respect of outstanding over-performance income for quarters 3 and 4;

Details of the Group's income, including £222m (2017/18 £217m) of Income from Activities is shown in note 3.1 to the financial statements. NHS debtors are shown in note 15 to the financial statements.

The Group earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position. The majority of the Group's income comes from block contracts agreed with South Cheshire and Vale Royal CCGs, a high value of income as received through Payment by results contracts increasing the significance of associated judgements with respect to this income.

How the scope of our audit responded to the key audit matter



We tested recoverability of over performance income and adequacy of provision for income during Q4, and evaluated the results of the Agreement of Balances (AoB) exercise.

Where we identified management estimates that involved significant judgement in respect of recognition of unsettled revenue, including STF income, we evaluated the design and implementation of the Foundation Trust's controls around the review and approval of those estimates.

We requested from management a paper summarising any areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted, in particular in respect of provisions held in respect of unsettled debts. As no disputes were present this year, we evaluated management's assertion that there were no disputes by reviewing correspondence with Commissioners.

We assessed the appropriateness of the judgements made in recognising revenue on the basis of discussion with staff involved, review of correspondence with commissioners and other relevant documentation, and consideration of the benchmark information from our knowledge of the local health economy.

We reviewed the key changes and any open areas in setting 2019/20 contracts, and considered whether, taken together with the settlement of current year disputes, there are any indicators of inappropriate adjustments in revenue recognised between periods.

Key observations



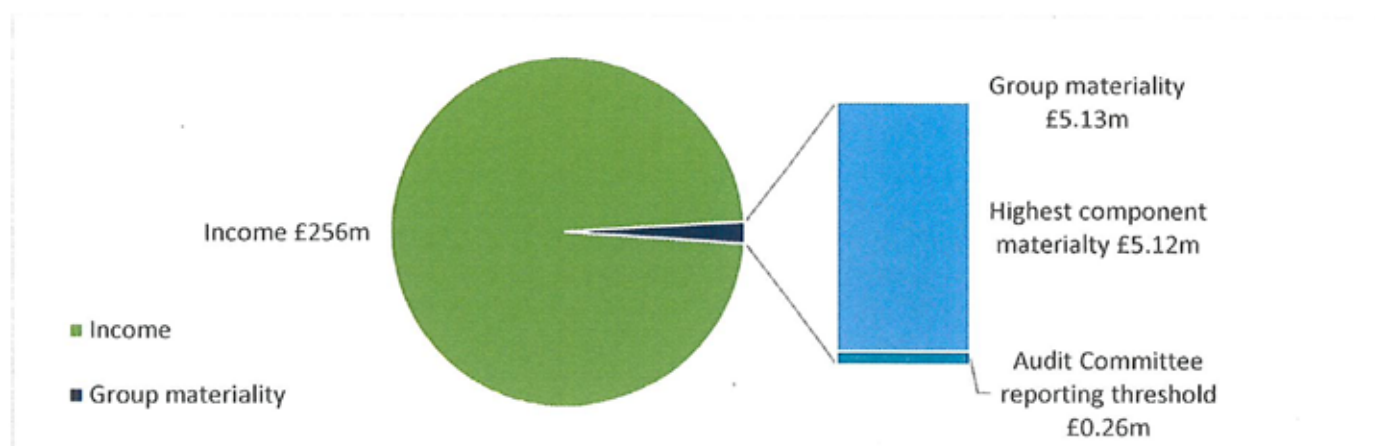
We concluded that NHS revenue had been recognised appropriately and concurred with management's judgement not to recognise any debtor provisions.

Our application of materiality

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

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Foundation trust financial statements
Materiality	£5.129m (2017/18: £5.002m)	£5.124m (2017/18: £5.000m)
Basis for determining materiality	Approximately 2% of income (2017/18: 2% of income)	Approximately 2% of income (2017/18: 2% of income)
Rationale for the benchmark applied	Operating income was chosen as a benchmark as the Trust is a non-profit organisation, and income is a key measure of financial performance for users of the financial statements. The substantial majority of the Group's operations are carried out by the Trust.	



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.26m (2017/18 £0.25m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

The group consists of the Foundation Trust and Mid Cheshire NHS Charitable Fund. Our audit was scoped by obtaining an understanding of the group and its environment, including internal control, and assessing the risks of material misstatement.

Mid Cheshire Hospitals NHS Foundation Trust is consolidated with its charity Mid Cheshire Hospitals Charitable Fund. The Charitable Fund is subject to a separate external audit. The Charity represents less than 0.1% of group revenue and less than 0.7% of assets employed.

Based on that assessment, we focused our group audit scope primarily on the Trust. Materiality (Group) was determined at £5.129m (2017: £5.002m). We performed a detailed risk assessment to understand Account balances, Class of Transactions and Disclosures which presented a risk of material misstatement, on both quantitative and qualitative grounds.

Audit work was performed in the Finance department at Leighton Hospital directly by the audit engagement team, led by the audit partner.

We carried out analytical procedures over the financial information of the charity and performed a review of the consolidation of the charity and Trust into the Group accounts.

The audit team integrated Deloitte specialists bringing specific skills and experience in property valuations.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report including the Strategic Report, the Accountability Report and the Quality Report other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of accounting officer

As explained more fully in the accounting officer's responsibilities statement, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the group or the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

We have nothing to report in respect of these matters.

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

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Reports in the public interest or to the regulator

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

- 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; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Mid Cheshire Hospitals NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Howse CPFA, CA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, UK
24 May 2019

Quality Report 2018/19



Statement on Quality from the Chief Executive

It has been a very eventful year at Mid Cheshire Hospitals NHS Foundation Trust, and I am delighted to share some of our work through our Quality Account for the period of April 2018 to March 2019.

Mid Cheshire Hospitals NHS Foundation Trust (MCHFT) is the organisation that runs Leighton Hospital in Crewe, Victoria Infirmary in Northwich and Elmhurst Intermediate Care Centre in Winsford. In partnership with Cheshire and Wirral Partnership NHS Foundation Trust and South Cheshire and Vale Royal GP Alliance, we also deliver Community Services across a number of community locations.

Patient safety and quality are at the heart of everything that we do. As Interim Chief Executive I am incredibly proud of what we, at MCHFT, have achieved so far and the Trust is committed to deliver further year-on-year improvements. We hope that you find this Quality Account describes our achievements to date and our plans for the future

Throughout 2018/2019 we have continued to make good progress on our Quality and Safety Improvement Strategy; progress which has largely been achieved collaboratively as a result of the hard work, commitment and dedication of all our staff. We have continued to see and treat an increasing number of patients with more complex needs on both an elective and non-elective basis.

For the year 2018/19 the Trust delivered four of the five of the NHS Improvement Standard Oversight Framework performance indicators. The standard not achieved was the four hour access standard, (nationally known as the A&E Target) which delivered 83.63% in 2018/19. A full programme of improvement work is underway during 2019/20 to improve this performance

Following the successful integration of community services we are proud that the programme of continuous improvement and transformation for these services has continued. The development of 5 care communities sets the future direction of patient centred care across geographical footprints and supports closer working relationships between partner organisations and enhances holistic patient pathways.

MCHFT was named nationally within the top five combined acute and community Trusts for the annual staff survey results in 2018/19. This is a continued achievement that every one of our staff can be proud of.

Key achievements in 2018/19 include:

- The Surgical Ambulatory Care Unit winners of the Integration and Continuity of Care category for the Patient Experience Network Awards (PENNA) 2018. The Surgical Ambulatory Unit focusses around the teams launch and delivery of this new service which has been successful in reducing unnecessary hospital admissions and has consistently received positive patient feedback
- The Virtual Fracture Clinic were also winners at PENNA 2018. The team won the Innovative Use for Technology and Social Media Category for streamlining the process for the fracture clinic patients and avoiding unnecessary hospital attendances
- The Trust were successful winners of the National Wounds UK Award 2018 for the most innovative abstract in work to reduce moisture associated skin damage
- The bespoke phlebotomy clinic for adults with learning disabilities continues to support patients and obtain samples in a non-threatening environment. The clinic was recently shortlisted for a Nursing Times Award 2018
- A continued reduction of the number of patients having E-coli infections and the improvement of Patient Screening and treatment for Sepsis.

We recognise that providing health care is not without risk and that sometimes patients can be unintentionally harmed in the care of hospitals. You will read throughout this Quality Account of the Trusts ambitious aims to continue to reduce harm across our organisation. Our Quality and Safety Improvement Strategy is the vehicle by which we have steered the direction of travel for quality and safety focusing on the 9 indicators below;

- Reducing serious harm
- Reducing hospital or community acquired avoidable pressure ulcers
- Reducing inpatient falls
- Reducing mortality figures
- Reducing hospital acquired infections
- Reducing inappropriate inpatient moves
- Recognising and responding to the deteriorating patient
- Recognising and treating sepsis
- Improving end of life care

Patients want to know that they will be provided with the best treatment and care available, based on up-to-date evidence and by well trained staff. This report also demonstrates that the Trust has a number of assurance mechanisms in place which demonstrate how we scrutinise the quality of the care that we deliver. Examples of these include our extensive audit program and the nursing acuity tool that is used to ensure the planned required levels of staffing is in place.

We are proud that our C-difficile infection rates have fallen from 3 avoidable cases to 2 avoidable cases in 2018/19. Overall we had 24 C-difficile infections against an objective of 23. Importantly, of those, 19 were deemed to have been unavoidable following in-depth analysis with our commissioners. The remaining 4 have not yet been assigned and are awaiting review. Although we did not achieve the objective of no MRSA blood stream infections this year having identified 4 patients, we have implemented a robust focused approach to reduce the risk of occurrence in other patients to ensure the risk of Health Care Associated Infections is minimised.

With regard to our mortality rates; the latest publication for our mortality data for the period October 17 to September 2018 demonstrates a SHMI of 105.48 and the Trust remains in the 'as expected' range.

I hope you will enjoy reading about the many examples of the improvement work that teams across the organisation are pursuing. We strive to deliver high quality, safe, cost-effective and sustainable healthcare services that meet the high standards that our patients deserve. We want MCHFT to continue to be the health care provider that patients trust to provide those highest standards of care - and the organisation that staff have pride in and are willing always to give of their best.

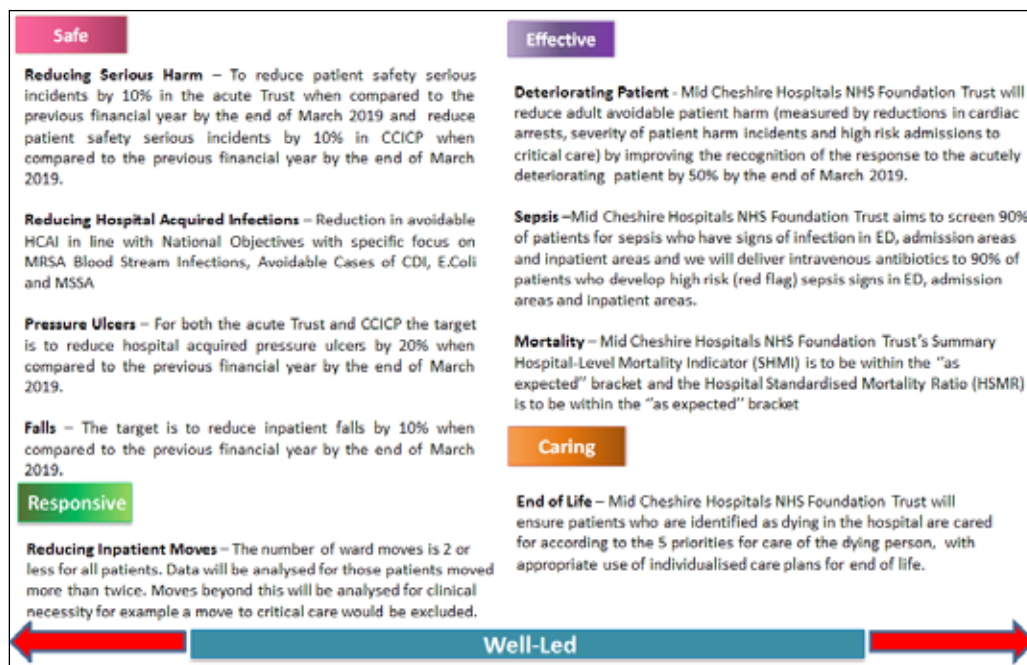
I am pleased to confirm that the Board of Directors has reviewed the 2018/19 Quality Account and agree that it is a true and fair reflection of our performance. We hope that this Quality Account provides you with a clear picture of how important quality improvement and patient safety are to us at MCHFT.

Finally, I want to take this opportunity to thank our staff who are highly skilled, dedicated and committed. They work hard to deliver safe and compassionate care to our patients day in and day out, sometimes in difficult circumstances. I would also like to extend my appreciation to our Governors, Volunteers, Members, Patient Representatives and other Stakeholders who have helped shape our quality programme by taking time out to support and advise us.



Dr Paul Dodds
Interim Chief Executive
Date: 23 April 2019

Priorities for improvement and statements of assurance from the Board



The strategy is based on views from people from Vale Royal, South Cheshire and the surrounding areas who told the Trust what they wanted from their hospital. In addition, staff, governors and other stakeholders also contributed to the development of the strategy. The values and behaviours developed with Trust staff underpin the delivery and success of the strategy. The Trust recruits, supports and develops its staff so that these values and behaviours are observed by all staff. The Quality and Safety Improvement Strategy for 2018/19 includes the three key elements of quality; experience, effectiveness

Following the successful completion of the 2018/19 Quality Strategy, the Trust conducted an extensive engagement programme to inform the development of the 2019/20 Quality and Safety Improvement strategy. The nine key priorities identified will continue in 2019/20 (pictured above).

The overall purpose of the new strategy is to support the delivery of the organisation's vision and mission:

"To deliver excellence in healthcare through innovations and collaboration"

The Trust will be a provider that:

- Delivers outstanding clinical quality, safety and experience
- Is a leading partner in a progressive health economy
- Strives for outstanding organisational effectiveness
- Aspires to excellence in practice through its workforce
- Creates a 21st Century Infrastructure for transformative health and Social Care

The strategy links closely with other key strategies such as the Trust Strategy and Our Workforce Matters Strategy 2018-21; it is when these work hand in hand that collectively the Trust can deliver the vision and mission of the organisation.

and safety however also has focus on the quality domains set by the Care Quality Commission (CQC);

The Quality & Safety Improvement Strategy 2019-20 will be monitored through the Quality & Safety Improvement Strategy Steering group on a monthly basis. Progress will be escalated to the Executive Quality Governance Group (EQGG).

The Executive Quality Governance Group (EQGG) is responsible for providing information and assurance to the Board of Directors that the Trust is safely managing the quality of patient care, the effectiveness of quality interventions and patient safety.

The Executive Quality Governance Group (EQGG) will review the quality goals at its meetings to ensure progress is being made in relation to the key areas for improvement.

In addition, progress against the quality goals will also be reported in the annual Quality Account. This report will be made available to the public on the Trust's website, NHS choices and will also be included in the Trust's Annual Report.

Priorities for Improvement in 2018/19: Feedback from patients

Local patient surveys

Annual patient and public involvement programmes are compiled at divisional level and agreed at Trust level. These divisional programmes comprise of a list of patient and public involvement surveys, identified as key areas of interest.

In the financial year 2018/2019, 42 surveys were undertaken. These surveys were completed by patients in various settings including whilst they are receiving treatment on the wards, in outpatient clinics and in the community.

Additionally, four core surveys are collected each quarter in inpatient areas, and an open and honest monthly patient survey which is collected by face to face interviews with inpatients. These core surveys collect patient feedback on key focus areas including communication, privacy and dignity, infection control and nutrition and hydration.

Three of the local surveys that have taken place in 2018/2019 are detailed below:

Orthopaedic Patient Satisfaction Survey

The second round of this annual survey was conducted in July-September 2018. Paper questionnaires were distributed to inpatients seen by the orthopaedic physio team. 100 questionnaires were available for distribution. 59 completed questionnaires were returned giving a response rate of 59%.

Responses were very positive including 100% of patients who answered were treated with kindness, compassion, dignity and respect, honesty and understanding and 98% of patients who answered said they felt the therapist listened to their views about their treatment. The results for this survey were fed back to staff at team meeting. A patient leaflet has been designed in conjunction with the patient experience team, which will explain the patient's right to a second opinion.

Macmillan Patient Satisfaction Survey

The Macmillan team conducted a generic patient satisfaction survey enquiring about patient experiences of the care and treatment they received whilst attending the Macmillan Unit. In total 83 responses were received

out of a possible 100 surveys that were distributed, giving a response rate of 83%. Responses were overwhelmingly positive with 100% of patients rating the level of care they received from the staff in the unit as good/very good or excellent.

Antenatal Screening Survey

A survey was conducted to obtain feedback on women's experiences attending the antenatal clinic for ultrasound scans. 84 questionnaires were completed by women who attended the Antenatal Clinic.

Overall the responses received were positive including 99% of respondents indicated that they felt they had enough verbal and/or written information to help them decide whether or not to have a scan/screening test and 99% of respondents indicated that they felt they had enough time to ask questions.

Results of this survey were shared with all Obstetric Medical Staff and staff within the Antenatal Clinic. A Maternity Voices Partnership has been set up to enable women to provide further feedback on their experiences of maternity care, including antenatal screening and to seek views on the improvements being considered.

National Surveys

National Inpatient Survey

The survey was distributed to patients admitted in July 2018. With 691 surveys returned completed, the Trust had a response rate of 59% an increase of 6%.

Pictured: members of the chaplaincy team, who provide emotional support to patients

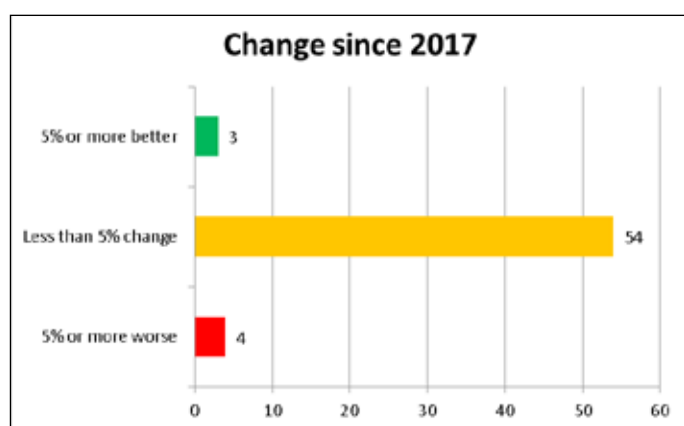


The results include patients' perceptions of their hospital stay including:

- Admission to hospital
- The quality of communications between medical professionals (doctors and nurses) and patients and care from non-clinical staff
- Choice of food and rating and help provided, if needed, at meal times
- Being involved in decisions about their care and treatment
- Information provided.

The Trust scored an average score of 74.7% which is slightly higher than in 2017. Compared with the 2017 survey, the Trust showed a 5% or greater improvement on 3 question scores and a 5% or greater reduction in score on 4 questions.

What has changed since the 2017 Inpatient Survey?



As part of this survey, a large amount of qualitative data is collected. Over 700 free text comments were analysed and themed. 61% of the comments received were positive.

What has changed since the last inpatient survey?

The Trust has significantly improved on the following questions:

- Staff helping patients to eat meals (12% improvement on 2017)
- Doctors: not talking in front of patients as if they weren't there; giving understandable answers to important questions.

A workshop including all members of the multi disciplinary working group was established to review the outcome and to identify themes to develop an action plan to ensure continuous improvement. Results are shared widely across the organisation and at public meetings. A poster was distributed to wards and departments with examples of comments made by patients from the survey when asked what was particularly good about their care.

Based on the previous inpatient survey the Trust agreed to focus on the following areas:

Delays at Discharge and Medications Side effects

To Take Out (TTO) labelling machines are now in place on three wards to enable ward prescribing and reduce delays associated with waiting for take home medications. This is being rolled out to other wards. Early Discharge Facilitators have been appointed on core wards. A prescription tracker system is being introduced within the pharmacy department.

Emotional Support

The working group linked in with the chaplaincy team for assistance with emotional support for patients. There is a large team of chaplains both paid and volunteer chaplaincy visitors, who can provide emotional support to patients. A Trust spiritual strategy was launched in October 2018 with two launch events at the crossroads talking to staff and patients. A poster has been developed to promote the chaplaincy team.

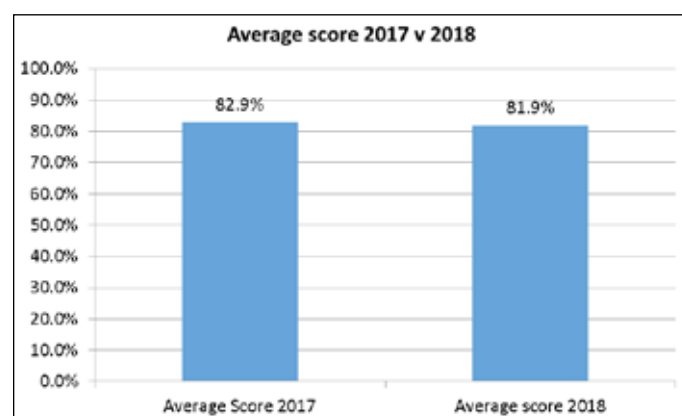
Support at meal times

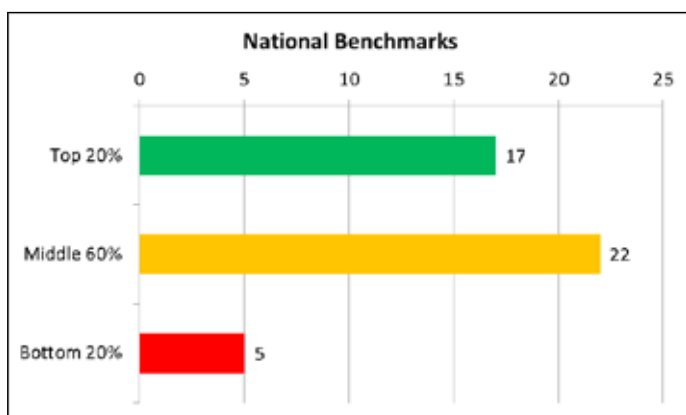
Volunteers were appointed and trained in 2018 to assist with helping patients to eat meals. Currently we have 20 trained volunteers to liaise with the dieticians to ensure they are reaching the wards and areas where the demand for assistance at mealtimes is at its highest. A dining companion role has been compiled and is now advertised on our Trust internet volunteer page.

National Maternity Survey

The 2018 national survey looks at women's experiences of maternity care. It asked women about their experiences during labour and birth and the quality of antenatal and postnatal support. The survey for Mid Cheshire includes responses from 112 women who gave birth in February 2018.

300 surveys were posted and there was a 37% response rate. The average Mean Rating Score, across all questions, was 81.9% which is slightly lower than in 2017.





Patient satisfaction scores from women included:

- 97% reported that they had skin to skin contact with their baby shortly after birth
- 100% reported that a midwife or health visitor ask them how they were feeling emotionally
- 90% reported that in the six weeks after birth that they received help and advice from health professionals about their baby's health and progress

Areas showing at least a 5% improvement from 2017:

- Were you offered a choice of hospital
- Were you offered a choice of giving birth in a midwife led unit or birth centre?
- Were you offered a choice of giving birth in a consultant led unit?
- If you raised a concern during labour and birth, did you feel that it was taken seriously?

Areas where the Trust has performed better than other trusts:

The survey looked at how the Trust performed against the national average for each question and across eight different areas. The trust performed better than the national average for two sections 'Feeding' and 'Care after Birth' and individual questions the Trust performed better than the national average for:

- Skin to skin contact with baby shortly after birth
- Midwives and other health professionals gave you consistent advice about feeding your baby
- Midwives that saw you appear to be aware of the medical history of you and your baby
- Midwives take your personal circumstances into account when giving you advice
- In the first 6 weeks after birth did you receive help and advice from a midwife or a health visitor about feeding your baby
- In the 6 weeks after birth did you receive help and advice from health professionals about your baby's health and progress

There were six questions which scored up to 5% lower than results from 2017 and the issues are included in an action plan.

Action Plan

A working group is progressing actions on the following themes:

- Discharge Delays – the work that was done last year will not have been captured in the results of this survey so we are anticipating an improvement in next year's survey results.
- Homebirth – promoting home birth choice. An audit will also be undertaken to ensure homebirth option is offered to women
- Post-natal care and information which will include a review of current information with women to identify any areas for improvement
- Explore choice and venues for women to access post-natal care.
- Identify what type of information women need about their own physical recovery after giving birth.

National Cancer Survey

The survey is designed to monitor national progress on cancer care and provides information to drive local quality improvements. This was the 7th year and 49 of the 50 questions relating directly to patient experience have been summarised as a percentage score for the patients who reported a positive experience only.

<http://www.ncpes.co.uk/reports/2017-reports/national-reports-2/3579-cpes-2017-national-report/file>

Patients were sent the postal questionnaire (with two reminders) and had the option to complete the survey online. The sample included all adult (aged 16 and over) NHS patients with a confirmed primary diagnosis of cancer (ICD10 codes). The sample included patients discharged from an NHS Trust after an inpatient episode or day case attendance for cancer related treatment between April and June 2018. A Freephone helpline was available for respondents to ask questions, receive support and for translation / interpreting facility where first language was not English.

Patients affected or distressed by the survey were given a Freephone number to the Trust Survey Contractor, who contacted the Trust Survey Lead (Cancer Services Manager) with queries/concerns. The Trust had a 63% response rate (England national average 63%).

What has changed since the last inpatient survey?

- Respondents gave an average rating of 8.9 for the Trust where the scale was zero (very poor) to 10 (very good). The national average was 8.8
- Patient experience at the Trust was better than national average in 39 questions including the overall rating (26 in 2016)
- The same for 4 questions (7 in 2016)
- Patient experience at the Trust scored lower than the national average in 9 questions (19 in 2016)
- 95% Received all the information needed about the test
- 91% Hospital staff gave information about support groups (83% in 2016)
- 77% Possible side effects explained in an understandable way (73% in 2016)
- 64% Hospital staff gave information on getting financial help (54% in 2016)

National Cancer Dashboard	MCHFT Score 2016	National Average Score 2016	Score 2017	Average Score 2017
Patient definitely involved in decisions about care and treatment	83%	78%	↓81%	79%
Patient given the name of the CNS who would support them through their treatment	93%	90%	↔93%	91%
Patient found it easy to contact their CNS	88%	86%	↓87%	86%
Always treated with respect and dignity by hospital staff	87%	88%	↑92%	89%
Staff told patient who to contact if worried post discharge	97%	94%	↓96%	94%
Practice staff definitely did everything they could to support patient	70%	62%	↓69%	60%

- 88% Patient had confidence and trust in all doctors treating them (81% in 2016)
- 79% Hospital staff definitely did everything to help control pain (85% in 2016)
- 86% Beforehand patient had all information needed about chemotherapy treatment though only 68% given information about whether chemotherapy was working (76% in 2016)
- Only 40% Colorectal patient felt always / nearly always enough nurses on duty
- 65% Always / nearly always enough nurses on duty (60% in 2016).

Actions Taken

- Analyse the tumour specific differences
- Interpret narrative feedback comments when published
- Develop action plan in collaboration with respective Divisions
- Monitor progress through Cancer Governance Group.

PEN Awards

The Trust had three applications shortlisted for the national Patient Experience Network Awards 2018.

The Virtual Fracture Clinic application led by consultant orthopaedic surgeon Mr Nicholas Boyce Cam, was shortlisted under the 'Innovative Use of Technology/social digital media' Category. This entry documented how this new system was introduced to streamline the process for fracture clinic patients and avoid unnecessary hospital attendances.

CCICP was shortlisted for its application from the advanced community matrons, documenting how they have transformed services to better meet the challenges and needs of the population they serve.

The Surgical Ambulatory Unit was shortlisted under two categories – strengthening the foundation and integration and continuity of care. This application was led by Matron Helen Williamson and focussed around the team's launch and delivery of this new service which has been successful in reducing unnecessary hospital admissions and has consistently received positive patient feedback.

The Trust is pleased to announce that the Surgical Ambulatory Care Unit and the Virtual Fracture Clinic both successfully won the awards in their category for the Patient Experience Network Awards (PENNA).



Pictured: the Trust's Virtual Fracture Clinic

NHS Choices

The NHS choices website provides an opportunity for patients to provide comments about their recent experience in hospital. There were a total of 87 new postings on the NHS choices website in 2018/2019. There have been 66 positive postings and 21 negative.

Leighton Hospital is currently achieving a star rating of 4.5 stars out of a maximum of 5 stars and the Victoria infirmary, Northwich, is achieving 5 stars out of 5.

The Trust, wherever possible, can respond to the posting thanking patients for feedback and providing information on how their comments can be shared with teams or acted on to improve services.

Examples of comments posted on NHS Choices can be found below:

Leighton Hospital:



Victoria Infirmary:



Specialty	Patient Posting	Trust Response from department lead.
Women & Children's Maternity – Early Pregnancy Assessment Unit (EPAU)	EPAU review - dignity respect and outstanding care. My partner and I were seen several times at EPAU for early pregnancy scans and then management of our miscarriage. We must say the care, dignity and respect we were shown was truly first rate and made all the difference. Everything was explained to us very clearly, prompt actions were taken and the team did everything they could to be extremely thorough and careful with such a delicate situation. We were mainly treated by one particular member of staff and she was so caring and great at her job. She made us feel very involved, well cared for and in very safe experienced hands. We can't thank this member of staff and the EPAU team enough for the difference this made to our experience.	In response to the posting via NHS choices, Firstly I would like to thank you for taking the time to make this post. It's so nice to hear the kind words you have for the staff working in the Early Pregnancy Assessment Unit (EPAU) and that your care and treatment at this sensitive time was dealt with respect and dignity. I will ensure the team are aware of your positive experience and the great work they are doing. Many thanks.
Diagnostics and Clinical Support Services – Medical Imaging	I had an MRI scan for a knee injury. My appointment was at 5:45 on a Wednesday and having been to Leighton before, I was anxious about finding a parking space. It was very easy at that time of day. The nurse/ admin person in the department read out various questions relating to my health for me to answer. As I was a nervous patient I asked the person to slow down as they rattled through the questions too fast! The person operating the scanner was very reassuring, gave me a buzzer in case of problems and played "you tube" music for me, at my request. However the scanner was so noisy I couldn't really hear the music through the headphones, but it was a nice touch. During the scan, the person checked that I was okay.	Thanks you for leaving your feedback on NHS Choices .I will feedback your comments to the Medical Imaging staff.
Surgery and Cancer - Gynaecology	I visited the Treatment Centre yesterday 23/11/18 for a Hysteroscopy, polypectomy and to have some biopsies taken. I was extremely anxious after a worrying few weeks leading up to this. I would like to thank the amazing team on duty yesterday for making me feel at ease from start to finish. From arrival to going home, I was treated with care, compassion, respect and dignity and I felt extremely looked after, even though it was clear, whilst I was in the recovery department, that they were short staffed and under pressure. Please can you pass on my heartfelt thanks to the amazing team who looked after me so well. We are so lucky to have access to such amazing healthcare on our doorstep.	Thank you very much for taking the time to positively comment on the care and treatment you recently received whilst attending the Treatment Centre. I will pass on your comments to the staff involved. Thank you again.

Medicine and Emergency Care	I attended the Out of Hours Unit which referred me to A&E on the evening of 11 August. The GP in the Out of Hours Unit gave me a very thorough examination before referring me to A&E after asking that I be seen by a Doctor from the Orthopaedics Department. I was seen by a Doctor and a Registrar from Orthopaedics who again gave me a very thorough looking over and were very reassuring in that I thought I had had a DVT when I had not. All concerned explained fully what they were doing and the conclusions they reached. I could not have asked for better treatment.	Thank you so much for your kind comments regarding your recent visit to the GP Out of Hours Service. I will ensure your comments are shared with my team and the orthopaedic team and we hope you have made a full recovery
CCICP	I attended the Out of Hours Unit which referred me to A&E on the evening of 11 August. The GP in the Out of Hours Unit gave me a very thorough examination before referring me to A&E after asking that I be seen by a Doctor from the Orthopaedics Department. I was seen by a Doctor and a Registrar from Orthopaedics who again gave me a very thorough looking over and were very reassuring in that I thought I had had a DVT when I had not. All concerned explained fully what they were doing and the conclusions they reached. I could not have asked for better treatment.	Thank you so much for your kind comments regarding your recent visit to the GP Out of Hours Service. I will ensure your comments are shared with my team and the orthopaedic team and we hope you have made a full recovery

Friends and Family Test

The NHS Friends and Family Test (FFT) helps the Trust understand whether patients are happy with the service provided, or where improvements are needed. It is a quick and anonymous way to give patient views after receiving care or treatment. This simple survey is run in areas across the Trust ensuring patients have an opportunity to provide feedback on the care received. Responses are mainly collected through text messaging or automated voice messages and postcards.

Trust results

Over 48,000 patients have responded to the Friends and Family Test, which is 10,000 patients more than last year with 91% of patients indicating that they are likely to recommend services or treatment to their friends or family.

One of the key benefits of the Friends and Family Test is that results are quickly available to staff, enabling them to take swift action where poor experiences have been identified. Areas/wards are being encouraged to display up to date FFT information and patient feedback on their quality and safety boards.

Examples of actions taken as a result of feedback from the Friends and Family Test include:

- Provision of juice and biscuits in the Children's Outpatient department and toys are constantly checked and renewed
- Improved monitoring of hand sanitizers to ensure they are full and in working order in outpatients
- Fault highlighted with baby changing area in the emergency department and promptly actioned
- Letters for patients attending the Treatment Centre have been reviewed in response to feedback.

Maternity Facebook comments

The Maternity Facebook page aids in promoting Leighton Hospital Maternity Services and making information

accessible via social media. The number of followers of the Facebook page has risen to 3694 followers.

The Facebook page raises the profile of the services offered and provides current evidence based information to women and their families. Recent posts by the Maternity Unit include:

- Promoting parent education sessions which include topics of labour and birth, infant feeding, safe sleeping, early days with a newborn and a great chance to meet other parents
- Pregnancy Advice - Making sure your body is ready for pregnancy is vitally important for the long term health of you and your baby. Take this quick quiz to see if you are 'pregnancy ready'. www.tommys.org/planning-for-pregnancy-tool
- Friends of Freya - Staff on our Neonatal Unit Leighton Hospital Ward 22 Neonatal Unit were extremely grateful for the donation of filled wash bags from Friends of Freya. This will make the stay for parents who are not prepared for their baby being admitted to the unit a little easier.

94%

of patients say that they are likely to recommend the Trust for treatment (Friends and Family Test)

The page is also used to post messages of thanks from mothers. Feedback has shown that mothers find the page an easy way of thanking staff during this busy time in their life. All staff mentioned are then put forward for Maternity Employee of the Month and a winner is chosen at random and receive a certificate for their portfolio. All messages are also forwarded to the staff members for them to keep.

Some examples of the messages left are below:

- Just a quick message to say thank you to the lovely Alana who delivered our third baby at Leighton. Our Armistice baby was delivered a few minutes past 11am

on the 11th November. Alana was everything a midwife should be and the care we received from her and all the members of the Maternity team was exceptional. Thank you again, Sarah & Steve Porter xx.

- I just want to say a big thank you to Heather who delivered my baby. My husband and I only arrived at the hospital at 3.10am, and my daughter (Rosie) decided she didn't want to hang about, and was delivered in the triage room! A little bit of a shock being quicker than we expected, but thank you for bringing her into the world safe and well. She's now just over one and is running around everywhere, full of life. Thank you again! X

Other patient and public involvement programme activities

Patient Information Group

The group meets on a monthly basis with a membership of 11 including two patient representatives and a multi-disciplinary group of staff. In 2018/19, the group reviewed 26 leaflets reviewed, including Personal Wheelchair Budgets; know your numbers, Vague Symptoms.

A flow chart has been developed to support the work being undertaken to meet the Accessible Information Standard. This aims to ensure staff are proactive in the approach to meeting the information needs of patients and are supported in being able to provide alternative types of information.

Readers Panel

The Trust continues to have an active reader's panel with 78 members to review patient information on a monthly basis. The aim of the Readers' Panel is to ensure:

- Patients and the public provide a user perspective in relation to the content and production of patient literature by being involved in the development of the written information
- Patient information is accessible to patients, their carers' and visitors
- The language used in leaflets is user-friendly, simple and easy to understand
- There is a consistent approach to patient information across the Trust ensuring a high standard of production

Leaflets reviewed by the Patient Information Group included: Personal Wheelchair budgets, Musculoskeletal Single Point of Access Service and general patient advice leaflets on self-help including tennis elbow and carpal tunnel.


Pictured: the Easy Read leaflet for the Trust's Emergency Department (Minors)

Leaflets produced in other formats

The Trust has a number of initiatives in place to ensure it meets the standard for Accessible Information. The aim of the accessible information standard is to make sure that people who have a disability, impairment or sensory loss get information that they can access and understand, and any communication support that they need.

Mid Cheshire Hospitals **NHS**
NHS Foundation Trust

Going to the Emergency Department (Minors)



Minors is where doctors and nurses look at and treat less serious injuries.

Easy Read Patient Information



Pictured: Urology Outpatients' new garden area, which has been made possible thanks to fundraising and the hardwork of staff and volunteers

The Trust has produced guidance to assist staff to identify and record information and communication needs for patient's service users, carers and parents, where those needs relate to a disability, impairment or sensory loss.

Staff follow a booking in procedure which asks patients if they have any disabilities or communication methods other than normal practice e.g. Braille, signing for hard of hearing, interpreters due to language barrier.

Information produced this year includes large print maps, a stroke leaflet and patient leaflets for condition and specific treatments.

Easy Read

Information produced in an easy read format includes a review of the leaflet for patients attending the Minors Unit in the Emergency Department which is aimed at making the visit less stressful for the patient.

Patient Register Group

The register group met twice in 2018 at local venues in the community. The meetings were attended by governors, volunteers, patient representatives and with an open invitation to members of the public. The group aims to provide information about new developments in the Trust and also an opportunity to seek patient and public views.

Topics covered have included an overview of the new Virtual Fracture Clinic system, presented by Mr Nic Boyce-Cam, Consultant Orthopaedic Surgeon, and the Surgical Transformation Project, documenting the launch of the Surgical Ambulatory Care Unit and the benefits this has brought to patients. The physiotherapy team manager Michelle Kaey also came to talk to the group about

the trust wide led work around EndPJparalysis, a simple concept that encourages patient to get up, dressed and moving while in hospital, which can prevent the complications of being immobile, including chest infections, muscle degeneration, clotting; as well as shifting patient's perceptions 'I'm sick' to 'I'm getting better'.

Voluntary Services

Annual Volunteers' Celebration Evening

A major highlight during National Volunteers' week (first week of June) is our Annual Volunteers' Celebration Evening. Held again this year at Nantwich Football club, the evening was very well

attended, with volunteers representing all areas of the Trust and covering a multitude of volunteer roles. The evening is a chance for the Trust to thank our family of volunteers who make such a valuable contribution to the hospital. It also gives volunteers a chance to meet one another, perhaps catching up with old friends, or making new. The musical entertainment on the night was provided by the Nightingale choir. The Volunteers' evening is an ideal opportunity to congratulate and present long service awards, to those reaching particularly momentous anniversaries. The awards were presented by Trust Chairman, Dennis Dunn MBE and Chief Executive Tracy Bullock. This year we proudly recognised 12 volunteers reaching milestone anniversaries, between 10 and 46 years.

Partnership Working - Hospital Garden Space

There has once again seen a great deal of activity in the hospital gardens. The official opening of the beautiful Urology Outpatient garden was held. This event was a fitting celebration after all the dedication, hard work and fundraising efforts. There has been a programme of ongoing maintenance throughout the year here and across other garden areas around the hospital, including the Therapy Garden and Ward 1 courtyard. Such projects continue to be coordinated by Trust volunteers and supported by volunteers from Barclays Bank (Gadbrook Park). Barclays Bank have adopted the Urology garden and will therefore continue to maintain this for us. Discussions have begun already regarding 2019/20 garden projects with Barclays Bank, who have confirmed the excellent news that they will double their involvement, allocating two department teams of volunteers to the hospital.

The MacMillan garden has continued to be maintained by volunteers from Bentleys. Their group of volunteers now called 'Give back gardeners', support the local community and have confirmed their commitment to the MacMillan unit for the year ahead.

Neo Natal Unit - Peer Support volunteers

The first three volunteers were recruited this year into the new role of Volunteer Peer Supporters, for the Neonatal Unit. These volunteers have first-hand experience of having a premature baby cared for on the unit and felt they could provide support to other parents going through this difficult journey.

Dining Companions

This year Voluntary services in conjunction with the RVS, have promoted Patient Feeding training to volunteers. This has led to an increase in the number of volunteers that are trained and can now assist patients at meal times. This help is proven to make a significant difference to patients' wellbeing and recovery.

50 Years of Hospital Radio

Leighton Hospital Radio celebrated their 50th Anniversary on 14th November. The station, which is volunteer led, started life at Coppenhall Hospital in 1968. It later moved to the Memorial and Barony hospitals, before making Leighton hospital its base in 1987. The 50th birthday was marked with a display in the Outpatients department, presenting photos and memorabilia from over the five decades, which Chairman Bob Squirrel and many of the radio volunteers helped to bring together. Chief Executive Tracy Bullock, presented the broadcasters with a certificate to commemorate half a century in broadcasting in South Cheshire and two special radio programmes presented by Stewart Green and Angela McCully-Jackson were also aired.

Christmas Community Activities

Bags of Joy – As in previous years, hundreds of Christmas 'Bags of Joy' were delivered to the hospital. These had been kindly made and donated by volunteers from Elim Church and contained such items as toiletries, chocolates and socks, along with a small message. They also donated many "mermaid blankets" to the Children's ward. The bags were added to the gifts already generously donated by staff and distributed by ward staff to patients over Christmas.

Carol singers – Volunteer Carol singers from the churches of Audlem Baptist, Wheelock Heath Baptist and St Andrews, Aston provided Christmas cheer to the wards in December, enjoyed by patients and staff. Many patients requested their favourite carols and joined in with the singing.

Pets As Therapy (PAT)

We are fortunate to now have regular visits from three PAT dogs, visiting a wide variety of wards, across the hospital. These visits allow patients the chance to chat with the volunteers and stroke the dogs. Staff enjoy the visits as much as the patients and it is wonderful to see how patients engage with our canine friends. One of our PAT dogs Brann, wearing his Christmas antlers with pride, visited the Children's ward over the festive season. This brought smiles to many faces.

Royal Voluntary Service (RVS) Befriending Service

The RVS Befriending service currently has 11 active volunteers based at Leighton hospital, with a further 9 in the recruitment process. The service spans the week and is currently across 5 wards (4, 6, 7, 10, and 19). Most recently they have introduced volunteers to the Clinical Decision Unit. The RVS support staff by engaging patients in activities including; reading, discussing news headlines and completing puzzles. More recently some Volunteers have undertaken additional training to assist with supporting patients at meal times. They are also being trained to use a digital therapy system RITA for older patients with cognitive impairment, such as dementia.



Pictured: Gilly with her Pets As Therapy (PAT) dog Brann, who visited the children's ward over Christmas was decorative antlers

Compliments/complaints

Customer Care Team

The role of the Customer Care Team is to provide on-the-spot advice, information and support for patients and relatives if they wish to raise concerns. The team can also support patients when dealing with issues about NHS care and provide advice and information about local health services. The Customer Care Team aims to respond to patients concerns and issues in a timely and effective manner, irrespective of whether they have been raised as an informal concern or a formal complaint. The majority of concerns can usually be resolved swiftly by those staff who are caring for patients. However, sometimes patients or a family may want to talk to someone who is not involved in their care and the Customer Care Team are then able to help.

In January 2019 a new Customer Care Team office was opened in the main entrance to promote the support the Customer Care Team can offer and improve access for patients and their families if they need support. The Customer Care Team also receives Ecards from relatives who chose to send messages in this way. This year, 10 Ecards were delivered to patients in the Trust between April 2018 and March 2019.

Compliments

4779 (figure to date) formal compliments were received by the Trust during 2018/19 which expressed thanks from patients and families about the care received. This is a significant increase compared with previous years. This increase is in part due to a change in the method of collating all thank you letters, emails and compliments inclusive of various social media.

All compliments are shared with the relevant teams who are identified.

	2015/16	2016/17	2017/18	2018/19
Number of compliments received	1727	1,872	1,913	4,779

Overview of compliments received by the Trust

Complaints

209 formal complaints were received by the Trust during 2018/2019 which is a 3% reduction compared to 2017/2018.

	2015/16	2016/17	2017/18	2018/19
Number of complaints received	264	283	215	209

Overview of compliments received by the Trust

Review of complaints

The Trust adheres to the Local Authority Social Services and National Health Service Complaints Regulations (England) 2009 and follows the Principles of Good Complaint Handling outlined by the Parliamentary and Health Service Ombudsman.

The Trust is committed to providing an accessible, fair and efficient service for patients and service users who wish to express their concerns or make a complaint with regard to the care, treatment or services provided by the Trust. The Trust promotes the Healthwatch advocacy service to anyone making a complaint to highlight the independent support available. The Trust also promotes the Healthwatch service by supporting the use of community Healthwatch stands within the Trust premises to encourage engagement with the public in regarding the support and advice the Healthwatch service provides.

The Trust recognises the importance of having a robust and flexible process for the management of complaints to ensure complainants receive a timely and person-centred response to the issues they have raised. In October 2018 key performance indicators for the management of complaints were agreed with all divisions within the Trust to ensure that concerns raised are responded to in a timely manner.

The complaints policy clarifies that the Chief Executive is the 'responsible person' with overall accountability for the complaints process. The Chief Executive ensures compliance with the regulations, that complaints are fully responded to and actions are implemented in the light of the outcome of the complaint review.

The complaints review group is chaired by the Patient Experience Manager and has a Governor and patient representative amongst its members. The panel reviews individual cases of closed complaints and follows best practice, as recommended by the Patient's Association, in monitoring progress against action plans and undertaking detailed reviews.

All complaint meetings are recorded and a copy of the CD is given to the complainant at the end of the meeting. The Trust is also able, with the consent of the complainant, to provide copies of the disc to external bodies such as the Coroner's Office and The Parliamentary Health Service Ombudsman to assist them in their information gathering.

The Customer Care Team continues to seek the views of their service users and send out surveys to complainants in order to gain feedback to support an improvement in the way that the service is

Themes	Actions Taken
Inpatient Wards: Concerns were raised with regards to identifying patients who need support to maintain appropriate nutrition.	The wards have implemented the new nutritional screening tool in October 2018 to support early recognition of patients who need support with maintaining good nutritional levels for recovery.
Trust Staff: Concerns were raised with regard to the effectiveness of staff communication with patients and relatives	A programme of communication workshops has been developed for all grades of staff which is now available bi-annually. Staff have been reminded of the importance of good communication with patients and their families and progress against this improvement is monitored by means of the divisional communication surveys and complaint analysis.
Trust medical and nursing staff: Concerns were raised with regards to medical adverse outcomes and diagnosis problems.	<p>Action plans have been agreed divisionally to address issues raised by patients and families and the feedback received from the complaint investigations has been shared with relevant staff to ensure lessons were learnt from the incidents and actions were taken to improve care.</p> <p>The Deteriorating Patient Group has been developed to improve recognition of the deteriorating patient for all staff, which has implemented the National Early Warning Score to improve care of the deteriorating patient in the clinical areas.</p>

delivered. However as the Trust has identified that current response rates to the survey are relatively low the Trust is completing a review of surveys used by other Trusts and in addition is reviewing the recommendations of the NHS England survey. It is planned to redesign and relaunch the survey offered to complainants in the 2018/2019.

Some of the key themes of complaints received in 2018/19 were in regard to nursing medication delays and concerns regarding nutrition, communication face to face with patients and relatives, medical adverse outcomes and medical diagnosis. Examples of these are summarised in the table above together with actions taken to address the concerns raised.

Learning disability access

People admitted to hospital with a learning disability (LD) need to be supported, assessed and treated by competent and compassionate staff, who have had access to appropriate education and training.

The Trust works exceptionally hard to ensure the care it provides to people with a LD is of a high quality, enabling good clinical outcomes and an enhanced patient and carer experience.

People with a learning disability are more likely to develop physical and mental health problems compared with the general population. Learning disability statistics demonstrate that:

- People with a LD have an increased risk of early death compared to the general population
- People with a LD are less likely to receive regular health checks
- People with learning disabilities are 2.5 times more likely to have health problems than other people
- The prevalence of dementia is much higher amongst

- older adults with LD compared to the general population
- Prevalence rates for schizophrenia in people with LD are approximately 3 times greater than for the general population

(Mental Health Foundation, 2018)

To address these issues and support our patients who have learning disabilities, we have introduced a number of initiatives at MCHFT. These are:

- Every quarter we hold a LD Phlebotomy Clinic. The clinic is held out of hours to minimise distress for patient's and provide a calm and non-threatening environment. The clinic is always fully booked, with double appointments so we can take our time and not rush our patients. The cakes and chocolates afterwards always go down particularly well! The service was recently shortlisted for a Nursing Times Award
- We have a large library of easy read information for our LD patients and carers to access. Recent additions include updated versions of our Emergency Department information leaflet, both from a minor and majors perspective
- The Trust's Dignity Matron continues to visit LD patients in their own home to plan elective admissions to hospital. This enables reasonable adjustments to be made such as:
 1. Carers accompanying patient's into the anaesthetic room and recovery area after surgery
 2. Double appointments
 3. Tours prior to admission
 4. Completion of Hospital Passports
 5. Easy read information
 6. Make the most of our opportunities i.e. when a patient is having a general anaesthetic, try to incorporate all health checks such as blood tests, podiatry, flu jabs.
 7. Home visit(s) to take blood, perform ultra sounds if patients are reluctant to come into hospital.

The Dignity Matron also visits patients who have been admitted to the hospital via the emergency department. The Matron acts as a liaison between patients, carers, staff and community teams and helps to facilitate best interest and pre-discharge meetings.

- Every week the Dignity Matron works alongside the Pre-Operative Assessment (POAC) Nurses, to provide a clinic specifically for patients who lack capacity to consent to procedures themselves. These clinics enable the consent process to be completed and reasonable adjustments to be highlighted at an early stage. Areas of concern can be discussed with patients and their carers, to alleviate worries and fears and improve the overall patient/carer experience
- The Trust holds a LD development group, which has representation from Trust and community services. The group shares patient feedback, local and national best practice and reviews LD deaths
- All deaths of patients with a learning disability are reviewed from a clinical perspective as well as a LD perspective. Lessons learnt are shared across Divisions and potentially into primary care; if there are issues for the wider learning disabled community
- Patient stories from an LD and carer perspective



Pictured left to right: Phlebotomy Manager Donna George, Phlebotomist Julie Whita and Dignity Matron Phil Pordes are shortlisted for a Nursing Times Award for their LD clinic

have been shared at a senior level including the Trust Executive Board and the Local Safeguarding Adults Board

- We have recently taken part in an NHSI Learning Disabilities Standards project. The aim of the project is to gather data in relation to LD patients, carers and the organisation itself, with a view to highlighting improvement opportunities.

Seven Day Hospital Services

The Trust's has continued its risk based approach to investment in the multi-disciplinary teams ready for 2019/20 to make progress towards complying with the four priority clinical standards with the seven-day services programme.

- Significant work has taken place which includes a focus on the infrastructure, medical staffing, nursing and therapy support to deliver services across seven-days. With this aim, business cases in General Surgery and Urology have been presented to the Trust's Board of Directors in 2018/19 which contain investment proposals to help improve our services over the week and 'out of hours'. Further business cases are being developed to improve the level of services within Therapies and Acute Medicine.

In line with other Trusts, the consistent delivery of the 'First Consultant Review within 14 hours of an Emergency Admission' (Standard 2) remains a challenge, although there are plans in place, down to speciality level, as to how this could be achieved. The Trust will continue to develop networked arrangements with neighbouring Trusts to deliver Consultant-directed interventions, (e.g. interventional endoscopy, stroke thrombolysis) out of hours. The Trust achieves the seven-day services standards relating to 'access to diagnostic tests' (standard 5) and 'ongoing consultant-directed reviews'.

Freedom to Speak Up

An outcome of the Freedom to Speak Up review, an independent review into creating an open and honest reporting culture in the NHS, led by Sir Robert Francis QC, was that NHS Trusts should appoint Freedom to Speak Up Guardians. The Guardian is someone whose role it is to act as an independent and impartial source of advice to staff, with access to anyone in the organisation, including the CEO, or if necessary outside the organisation, where concerns are identified which affect patient care. The Guardian ensures that the primary focus is on the safety issue; that the case is handled appropriately, investigated promptly and issues addressed; and that there are no repercussions for the person who raised it.

Speaking up should be something that everyone does and is encouraged to do. There is a shared belief across the Trust that raising concerns is a positive action and staff need to feel safe to raise concerns, confident that they will be listened to and the concerns raised will be acted upon. Mid Cheshire Hospitals NHS Trust is committed to supporting and encouraging all those who raise honestly held concerns about safety, with a focus on learning rather than blame.

The Director of Nursing and Quality is the Trust's Freedom to Speak Up Guardian and therefore is committed to providing confidential advice and support to staff in relation to concerns staff have about patient safety and/or the way their concern has been handled. Whilst the Guardian does not investigate the concerns raised, they help to facilitate the raising concerns process where needed, ensuring Trust policies are followed correctly.

The Trust have implemented a 'Raising Concerns' policy which has been adopted in line with recommendations of the review by Sir Robert Francis into whistleblowing in the NHS.

The Freedom to Speak Up Guardian regularly attends the National Guardian Freedom to Speak Up Conferences and update sessions which are an opportunity to share learning with peers from other organisations and to hear from the National Guardian's Office on best practice.

Additional ways staff can raise concerns

- Employee Support Advisers/Speak Up Champions – The Employee Support Advisors are trained staff volunteers who provide an opportunity for individuals to discuss any concerns in an informal forum and help to identify the range of options and support available. Quarterly information update sessions are held between the Guardian and the Employee Support Advisors and Champions to share knowledge and good practice
- Staff are able to leave a confidential message raising any concerns using the Staff Voicemail Service which is managed by the Human Resources Department
- A dedicated email address was set up in 2018 as another mechanism for staff to report any concerns
- A Freedom to Speak Up box has recently launched to provide staff with an additional way to raise concerns. The box was piloted during quarter three and quarter four at the Patient Safety Summit Meeting which is held fortnightly. Staff are able to anonymously submit concerns via the box which may affect patient safety. Any feedback on the issues raised is given at the following meeting. A review will be undertaken at the end of the financial year to assess the effectiveness and to explore whether the approach is to be rolled out across other areas
- Some concerns are raised locally and dealt with by local managers as part of their day-to-day work. These concerns would not be logged onto the whistleblowing log.

Staff are able to utilise any of these forums if they have concerns over quality of care, patient safety or bullying and harassment within the Trust.

Feedback is an important part of the process. Where concerns raised are not done so anonymously, face to face feedback is provided by an appropriate manager. Where concerns are raised anonymously, feedback on improvements or process changes, as a result of the concern raised, is communicated across the relevant division using a 'you said, we did' approach. The Trust are currently considering the promotion of positive outcome cases.

The Trust uses staff survey results to benchmark itself against peer organisations on indicators relevant to raising concerns. The Trust's overall staff engagement score was 7.2 out of 10 in 2018 compared to the national average of 7.0 as the national average for Acute and Community Trusts.

The Trust uses staff survey results as shown below to assess whether the arrangements in place for raising concerns are effective. The Trust score better than the national average when compared to other comparable trusts on the following key findings in the 2018 staff survey:

- My organisation treats staff who are involved in an error, near miss or incident fairly
- When errors, near misses or incidents are reported, my organisation takes action to ensure that they do not happen again
- We are given feedback about changes made in response to reported errors, near misses and incidents
- I would feel secure raising concerns about unsafe clinical practice
- I am confident that my organisation would address my concern
- My organisation acts on concerns raised by patients/ service users.

Feedback from staff

The NHS staff survey is undertaken by all NHS Trusts on an annual basis and continues to be recognised as an important way of ensuring the views of staff working in the Trust inform local improvements and outcomes for both staff and patients. The results from all Trusts are made available and allow the Trust to be benchmarked. The survey is undertaken on behalf of the Trust by Quality Health (an independent contractor) using the nationally specified criteria.

The 2018 NHS Staff Survey saw changes introduced to the reporting of the results. In previous years trusts have been benchmarked against 32 Key Findings, however based on the outcome of a review by the National Staff Survey Co-ordination Centre these Key Findings have now been replaced by Ten Themes. The following table provides an overview of the scores achieved by the Trust against the Ten Themes.

Theme	2017 (Scores out of 10)	2018 (Scores out of 10)	Combined Acute and Community Trust Average	Trust Performance (when compared with all combined acute and community trusts in 2018)
Equality, Diversity and Inclusion	9.3	9.4	9.2	Above Average
Health and Wellbeing	6.4	6.1	5.9	Above Average
Immediate Managers	6.8	6.8	6.8	Average
Morale	No data	6.5	6.2	Best
Quality of Appraisals	5.3	5.6	5.4	Above Average
Quality of Care	7.7	7.6	7.4	Above Average
Safe Environment – Bullying and Harassment	8.2	8.3	8.1	Above Average
Safe Environment – Violence	9.4	9.6	9.5	Above Average
Safety Culture	6.9	6.9	6.7	Above Average
Staff Engagement	7.1	7.2	7.0	Above Average

* There is no comparative data prior to 2017 due to the significant organisational change that took place in 2016 with the inclusion of Central Cheshire Integrated Care Partnership (CCICP), which resulted in the organisation moving from an 'Acute' to a 'Combined Acute and Community Trust'.

Staff Survey Data

Equality and Diversity	2017	2018	National 2018 average for combined acute and community Trusts	Best 2018 Score for combined acute and community Trusts
Q14 Percentage of staff believing the organisation provides equal opportunities for career progression and promotion (<i>% of staff electing 'Yes'</i>)	92.3%	90.5%	85.5%	91.5%
Violence, harassment and bullying	2017	2018	National 2018 average for combined acute and community Trusts	Best 2018 Score for combined acute and community Trusts
Q13b. In the last 12 months how many times have you personally experienced harassment, bullying or abuse at work from managers? (<i>% of staff saying that they have experienced at least one incident</i>)	10.5%	9.3%	12.1%	8%
Q13c. In the last 12 months how many times have you personally experienced harassment, bullying or abuse at work from other colleagues? (<i>% of staff saying that they have experienced at least one incident</i>)	18.2%	16.1%	18.4%	14.4%

The Quality Account Reporting Arrangements require the Trust to report on the responses for the following questions for the Workforce Race Equality Standard:

- The percentage of staff who report that they have experienced harassment, bullying or abuse from staff in the last 12 months.

The scores for White and Black and Minority Ethnic (BME) staff as required for the Workforce Race Equality Standard are as follows:

Key Finding		2017	2018
Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	White	21.5%	20.2%
	Black and Minority Ethnic	32.3%	32.1%

The national Trust average in the reporting category in 2018 was 23.6% for white staff and 29.9% for BME staff which puts the Trust in a slightly better than average position for white staff, however the results are slightly worse than the national Trust average for BME staff.

- The percentage of staff who believe the Trust provides equal opportunities for career progression or promotion

90.5% of staff who completed the 2018 staff survey believe that the Trust provides equal opportunities for career progression and promotion. The national average for combined acute and community Trusts in 2018 was 85.5% with the best score being 91.5%.

The scores for White and BME staff as required for the Workforce Race Equality Standard can be found in the table below:

Key Finding		2017	2018
Percentage of staff believing the organisation provides equal opportunities for career progression and promotion	White	92.9%	91.2%
	Black and Minority Ethnic	84.2%	86.4%

The national Trust average in the reporting category in 2018 was 87.2% for white staff and for BME staff 74.2%, which puts the Trust in an above average position.

Action plans will be developed in 2019 to address any areas of concern highlighted in the staff survey.

Statements of Assurance from the Board

Review of services

During 2018/19 the Trust provided and/or sub-contracted 40 relevant health services.

The Trust has reviewed all the data available to them on the quality of care in all of these relevant health services.

The income generated by the relevant health services reviewed in 2018/19 represents 100% of the total income generated from the provision of relevant health services by the Trust for 2018/19.

Participation in Clinical Audits and Research

Clinical audit evaluates the quality of care provided against evidence based standards and is a key component of clinical governance and quality improvement. Mid Cheshire Hospitals NHS Foundation Trust (MCHFT) produces an annual programme for clinical audit and quality improvement, incorporating national, regional and local projects, which is informed and monitored using priority levels.

National Clinical Audit

During 2018/19, 50 national clinical audits/other projects and eight national confidential enquiries (Clinical Outcome Review Programmes) studies covered NHS services that MCHFT provides.

During that period, MCHFT participated in 96% of national clinical audits and 100% of national confidential enquiries (Clinical Outcome Review Programmes) of the national clinical audits and national confidential enquiries (Clinical Outcome Review Programmes) 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 shown in the table below.

The national clinical audits and national confidential enquiries that the Trust participated in, and for which data collection was completed during 2018/19, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

National Clinical Audit and Clinical Outcome Review Programme	Participation	Data submission
BAUS Urology Audits: Female stress urinary incontinence	Yes	27 cases*
BAUS Urology Audits: Percutaneous Nephrolithotomy	Yes	13 cases*
Case Mix Programme (CMP)	Yes	100%
Elective Surgery (National PROMs Programme)	Yes	See PROMs section of this report
Falls and Fragility Fractures Audit programme (FFFAP):		
National Inpatient Falls	Yes	NA
National Hip Fracture Database	Yes	100%*
Feverish Children (care in Emergency Departments)	Yes	100%
Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit	Yes	43 cases*
Learning Disability Mortality Review Programme (LeDeR Programme)	Yes	100%
Major Trauma Audit	Yes	100%
Mandatory Surveillance of bloodstream infections and clostridium difficile infection	Yes	100%
Maternal, Newborn and Infant Clinical Outcome Review Programme:		
Perinatal Mortality Surveillance	Yes	100%
Perinatal Morbidity and Mortality Confidential Enquiries	Yes	100%
Maternal Mortality Surveillance and Mortality Confidential Enquiries	Yes	100%
Maternal Morbidity Confidential Enquiries	Yes	100%
Medical & Surgical Clinical Outcome Review Programme:		
Pulmonary Embolism	Yes	100%
Acute Bowel Obstruction	Yes	100%

National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP):		
Adult Asthma Secondary Care	Yes	NA
Chronic Obstructive Pulmonary Disease (COPD) Secondary Care	Yes	188 cases*
Pulmonary Rehabilitation - <i>Community</i>	Yes	NA
National Audit of Breast Cancer in Older Patients (NABCOP)	Yes	100%
National Audit of Cardiac Rehabilitation	Yes	Partial*
National Audit of Care at the End of Life (NACEL)	Yes	100%
National Audit of Dementia (care in general hospitals)	Yes	100%
National Audit of Intermediate Care (NAIC)	Yes	689 patients*
National Audit of Seizures and Epilepsies in Children and Young People (Epilepsy 12)	Yes	NA
National Cardiac Arrest Audit (NCAA)	Yes	100%
National Cardiac Audit Programme:		
Myocardial Ischaemia National Audit Project (MINAP)	Yes	100%
National Heart Failure Audit	Yes	75%*
National Comparative Audit of Blood Transfusion Programme:		
Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children	Yes	100%
Management of Massive Haemorrhage	Yes	100%
National Diabetes Audit – Adults:		
National Diabetes Foot Care Audit - <i>Community</i>	Yes	NA
National Diabetes Inpatient Audit (NaDIA)	Yes	100%
NaDIA Harms (reporting on diabetic harms)	Yes	100%
National Core Diabetes Audit	Yes	100%
National Diabetes in Pregnancy	Yes	100%
National Audit of Rheumatoid and Early Inflammatory Arthritis	Yes	36 cases*
National Emergency Laparotomy Audit (NELA)	Yes	100%
National Gastrointestinal Cancer Programme:		
Oesophago-gastric Cancer (NAOGC);	Yes	81-90%
National Bowel Cancer Audit (NBOCA)	Yes	100%
National Joint Registry (NJR)	Yes	100%
National Lung Cancer Audit (NLCA)	Yes	100%
National Maternity and Perinatal Audit	Yes	100%
National Mortality Case Record Review Programme	Yes	See Learning from Death section of this report
National Neonatal Audit Programme (NNAP) (Neonatal Intensive and Special Care)	Yes	100%
National Ophthalmology Audit	Yes	99%*
National Paediatric Diabetes Audit (NPDA)	Yes	38 cases*
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis):		
Antibiotic Consumption	Yes	100%
Antibiotic Stewardship	Yes	30 cases per Quarter
Sentinel Stroke National Audit programme (SSNAP)	Yes	100%
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	Yes	100%
Seven Day Hospital Services Self-Assessment Survey	Yes	100%
Surgical Site Infection Surveillance Service	Yes	100%
Vital Signs in Adults (care in Emergency Departments)	Yes	100%
VTE risk in lower limb immobilisation (care in Emergency Departments)	Yes	100%

* Based on most recent report or online data
NA Data submission in progress or due to commence

Non-Participation

National Clinical Audit and Clinical Outcome Review Programme	Reason for Non-Participation
National Adult Community Acquired Pneumonia (CAP) Audit	Lack of clinical resource
National Adult Non-Invasive Ventilation (NIV) Audit	Lack of clinical resource

The reports of 28 national clinical audits were reviewed by the provider in 2018/19 and the Trust intends to take the following actions to improve the quality of healthcare provided:

National Clinical Audit Participation 2018/19 – Actions

National Clinical Audit and Clinical Outcome Review Programme	Actions Taken / To Be taken
Case Mix Programme (CMP)	Quarterly reviews of all ICNARC/Critical Care activity at the multidisciplinary team meeting and all individual cases discussed with any issues being taken forward by the clinical lead as part of the governance strategy.
Elective Surgery (National PROMs Programme)	See Patient Reported Outcome Measures Scores section of this report.
Falls and Fragility Fractures Audit programme (FFFAP):	
National Hip Fracture Database	Trust results remain good and above national figures. Ongoing work is continuing around relevant assessments; therapy provision at weekends to support early mobilisation; nerve block training for advanced practitioners and anaesthetic supervision of trauma lists
Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit	Review of report in progress
Major Trauma Audit	The trust compares favourably with Trauma Hospitals in the Network. Work is in progress around transfer of patients for CT Scan in a timely manner; administration of tranexamic acid within 3 hours; and trauma calls for consultant review.
Maternal, Newborn and Infant Clinical Outcome Review Programme:	
Perinatal Mortality	Compliance for standardised review and accurate data was good. Further work is underway in regard to a focus on 'quality of cause of death coding'; post mortem counselling and information for parents and placental histology for stillbirths
Saving Lives, Improving Mothers Care	Trust Guidelines around Induction of Labour, Obstetric Haemorrhage and Management of Venous Thromboembolism (VTE) in pregnancy have been updated to accommodate recommendations and an audit of VTE risk score is planned
Topical Study: Perinatal Mortality Surveillance Enquiry - Term, Singleton, Intrapartum Stillbirth and Intrapartum Related Neonatal Death	On review, the Trust was compliant with all recommendations, except documentation of discussion and the agreed management plan for labour and birth following previous caesarean section. A Vaginal Birth after Caesarean Section (VBAC) clinic is being set up with relevant guidance and pro-forma.
Medical & Surgical Clinical Outcome Review Programme:	
Acute Heart Failure	Existing pathway of care is being developed further to incorporate location, 24 hour review, initial investigations and bloods, access to echocardiograms and immediate treatments. All Heart Failure nurses are being trained as specialists in palliative care as part of the multidisciplinary team. A checklist is being developed to support escalation decision making with patients.

Cancer in Children, Teens and Young Adults	Review of report in progress
Perioperative Diabetes	Review of report in progress
National Audit of Breast Cancer in Older Patients (NABCOP)	Trust results are in line with national results. A crib sheet with performance score has been developed for clinics and the multidisciplinary team. The system for getting her2 results back for the multidisciplinary team has been improved and the cancer services department aim to get data for staging for all cancers.
National Audit of Cardiac Rehabilitation	Review of report in progress
National Audit of Care at the End of Life (NACEL)	Review of report in progress
National Audit of Dementia (care in general hospitals)	Issues with inconsistency of reported data were highlighted on review, thus no further action was taken with this report.
National Audit of Intermediate Care (NAIC) - Community	Intermediate Care Teams / Point of Care Hubs (PoCH) have been implemented and work is commencing around integration of health and social care teams to facilitate early discharge and prevention of unavoidable hospital admission.
National Cardiac Arrest Audit (NCAA)	Rate of cardiac arrest is lower than national figures and data submission remains good. A review of resuscitation stopped due to 'futility' in regard to pre-arrest factors relating to DNACPR is underway
National Cardiac Audit Programme:	
Myocardial Ischaemia National Audit Project (MINAP)	Work is ongoing to support direct admission to Cardiology or Coronary Care unit; checklist of medications depending on eligibility and pre-discharge angiography at partnership site.
National Heart Failure Audit	Work is underway to revise the acute heart failure pathway including location of care on a specialist unit; arrangements for heart failure review within 24 hours; initial investigations required to diagnose acute heart failure, including a standard protocol for the use of BNP/NT pro BNP and Echocardiography and immediate treatments
National Diabetes Audit – Adults:	
National Audit of Inpatient Diabetes (NADIA)	A diabetic alert system has been established along with an electronic system for identification of hypo/hyperglycaemia. Weekly multidisciplinary foot clinic implemented using a network diabetic foot pathway and twice weekly 'hot foot' clinic for direct access to medical/vascular care.
National Emergency Laparotomy Audit (NELA)	A pathway been developed for ortho-geriatrician support of elderly laparotomy patients, with review of patients as required. Review of surgical admission pro forma to collect pre and post-op p-possum (mortality risk).
National Gastrointestinal Cancer Programme:	
Oesophago-gastric Cancer (NAOGC);	Review of report in progress
National Bowel Cancer Audit (NBOCA)	Review of report in progress
National Joint Registry (NJR)	A review of revision of primary knee replacements was undertaken by the clinical lead and all planned cases for revision are now discussed at local multidisciplinary team prior to surgery. The Trust is involved in QIST, a national project aiming on optimising patients prior to surgery by identifying and treating anaemia.
National Maternity and Perinatal Audit	Infant feeding policy and skin to skin contact compliance through audit already achieved. Electronic maternity system, maternity dashboard, midwifery led unit guidelines, fit for birth programme and information on healthy eating in pregnancy all in place and business as usual in the Trust.

National Neonatal Audit Programme (NNAP) (Neonatal Intensive and Special Care)	Patient information around pre-term labour a pro-forma for counselling pre-term parents introduced as part of the preterm pathway. Multidisciplinary developed care bundle in place for admission of pre-term babies. Work is in progress to work with local parent representatives to improve the attendance of parents on ward rounds and parental involvement in decision making.
National Ophthalmology Audit	Trust results favourable against national standards. Work is ongoing to improve mechanisms for obtaining post-operative refractions and to assess the use of post-operative Bromfenac to reduce complications.
Seven Day Hospital Services Self-Assessment Survey	See Seven Day Hospital Services section of this report.

Local Clinical Audits

The reports of 71 local clinical audits were reviewed by the provider in 2018/19 and the Trust intends to take/has taken the following actions to improve the quality of healthcare provided in the sample of projects below:

Local Clinical Audit	Actions Taken / To Be Taken
Monitoring of Vital Signs for Patients who are Acutely Unwell or at Risk of Clinical Deterioration	This audit was performed to highlight any issues in regards to accuracy of the use of our current track and trigger system. It was designed to highlight compliance with EWS documentation and the correct score being documented as this result will affect the appropriate clinical escalation. Our findings were the accuracy of EWS was poor due to the compliance of fluid balance monitoring where only 88% of patients had an accurate recording of their EWS. A comparison was done between EWS and NEWS2, this highlighted NEWS2 would have detected more patients to escalate early by its sensitivity, hence detecting acutely unwell patients early. NEWS2 was launched in the Trust in November 2018 and a further audit will be undertaken to assess accuracy in recording of the parameters.
An Audit to Assess the Implementation and Perceived Benefit of Group Therapy Sessions on Ward 6 (Stroke Rehab) to Establish a Local Standard	This audit was undertaken to review the pilot implementation of Group Therapy Sessions for stroke patients. Out of 17 possible groups, 15 sessions were actually held equating to 750 extra minutes of treatment and 60 extra treatments, 57 of which were in addition to patient individual sessions. All sessions ran for 45 minutes or longer therefore adhering to national guidelines. 12 of the sessions focused on upper limb exercises, 3 focused on bed exercises and all sessions included gait re-education and transfers (bed to chair, chair to chair). Following these results groups will be run 5 times a week, with assigned staff to ensure responsibility and consistency. Sessions will be pre-planned at set times daily and become ward routine with regular training sessions and assistant support for staff.
Compliance with NICE Guidance in the Diagnosis and Management of Atopic Eczema in the Under 12's	The audit was carried out to assess compliance with NICE Guidance, for which compliance was 100% around patient assessment and stepped care plan, assessment and documentation of severity and timely and appropriate referral. Areas for requiring improvement included provision of evidence based information, measurement of disease impact on Quality of Life / psychological impact, prescription of emollients. Standardised evidence based educational material/ supporting information has been developed as part of an atopic eczema pack, shared with paediatrics and will be given to all patients on all sites and the Dermatology internet site will be updated accordingly. Work on prescription of sufficient emollient, improved identification/ assessment of infection and standardising assessment processes to routinely capture all recommended criteria is currently in progress.
Audit of Nasal Trauma Referrals to ENT Emergency Clinics in MCHT	This audit highlighted a delay in seeing patients in clinic from trauma and issues with referral letters at clinic appointments. As a result of this the process for the administration team and medical staff to book and see patients is within 10 days of trauma and medical staff review all referrals and specify a timeframe for review based on the trauma date.
Management of Vaginal Birth after Caesarean	This audit was commenced to assess the management of Vaginal Birth After Caesarean (VBAC) using the existing Trust management pro-forma. Poor documentation highlighted a potential issue with discussion around risks and benefits and plan for labour. A midwife led VBAC clinic has now been set up and guidelines for management of women having VBAC in the latent phase of labour or with pre-labour spontaneous rupture of membranes has been developed. The VBAC management pro-forma has also been updated.

Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by the Trust in between 01/04/18 and 28/02/2019 that were recruited during the period to participate in research approved by a research ethics committee was 611.

Commissioning for Quality & Innovation framework (CQUIN)

The CQUIN framework was introduced in April 2009 as a national framework for locally agreed quality improvement schemes. These schemes require the development of clear plans and goals through agreement between providers and commissioners.

A proportion of the 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 2018/19 and for the following 12 month period are available electronically at:

www.mcht.nhs.uk/information-for-patients/why-choose-us/quality

The overall financial value of CQUIN schemes is currently 2.5% of the provider's contract value.

The financial value of the 2018/19 CQUIN scheme for the acute Trust was £4,254,800. The total amount the Trust received in payment for the CQUIN scheme was £3,637,480

The financial value of the 2017/18 CQUIN scheme for the Trust was £4,274,560

The financial value of the 2018/19 CQUIN scheme for CCICP was £718,540. The total amount the Trust received in payment for the CQUIN scheme was £718,540

For 2018/19 there are **seven** National goals of which **four** apply to MCHFT, two apply to CCICP and **one** apply to both.

Public Health England has agreed **two** goals which relate to the breast and bowel screening programmes.













The North of England Specialised Commissioners has negotiated **two** goals in relation to chemotherapy banding and medicines optimisation.

Key CQUIN results for 2018/19:

Achieved
Partially Achieved
Not achieved



Goal	Goal Name	Financial Value Of the goal (£)	Status
Goal 1: PART A	Improvement of health and wellbeing of NHS staff	£137,574	✓
PART B	Healthy food for NHS staff, visitors and patients	£137,574	✓
PART C	Improving the uptake of flu vaccinations for front line staff within Providers	MCHFT £137,574 CCICP £137,180	✓
Goal 2: PART A	Timely identification of sepsis in emergency departments and acute inpatient settings	£103,181	✓
PART B	Timely treatment for sepsis in emergency departments and acute inpatient settings	£103,181	✓
PART C	Antibiotic review	£103,181	✓
PART D	Reduction in antibiotic consumption per 1,000 admissions	£103,181	Not Yet Available
Goal 4:	Improving services for people with mental health needs who present to A&E	£412,723	✓

Goal 6:	Offering advice and Guidance (A&G)	£412,723	
Goal 9 PART A	Tobacco screening	£20,636	
PART B	Tobacco brief advice	£82,545	
PART C	Tobacco referral and medication offer	£103,181	
PART D	Alcohol screening	£103,181	
PART E	Alcohol brief advice or referral	£103,181	
Goal 10:	Improving the assessment of wounds - Community Only	£137,180	
Goal 11:	Personalised Care and Support Planning - Community Only	£137,180	
Public Health England			
	Breast Screening Programme Clerical Staff Development (Health Promotion role)	£14,969	
	Cancer Screening Programme – reducing professional stress and building resilience	£23,288	
North of England Specialised Commissioning			
	Nationally Standardised Dose Banding for Adult Intravenous Systemic Anticancer Therapy (SACT) ³⁸	£41,167	
	Hospital Pharmacy Transformation and Medicines Optimisation	£61,749	

The table above briefly describes the goals included in this year's CQUIN and the Trust's performance against each of the CQUIN goals.

Feedback from the Care Quality Commission (CQC)

We have been officially rated as

GOOD

Rating Scale:

Outstanding - **Good** - Requires Improvement - Inadequate

The Trust is required to register with the Care Quality Commission (CQC) under section 10 of the Health and Social Care Act 2008 and its current registration status is **unconditional** which means there are no conditions on its registration.

The Trust's registration includes the services provided at Leighton Hospital, Victoria Infirmary in Northwich, Elmhurst Intermediate Care Centre in Winsford and the community services within the Central Cheshire Integrated Care Partnership (CCICP), and the Statement of Purpose was updated accordingly.

The Care Quality Commission has not taken enforcement action against the Trust during the period April 2018 to March 2019.

Following the CQC Comprehensive Inspection in May 2018 the Trust received an overall rating of 'Good'. The inspectors identified, overall that the Trust was rated good for effective, caring, responsive and well led with safe rated as requires improvement.

In response to the inspection an improvement plan to address compliance actions was developed. The improvement plan evidences the completion and ongoing monitoring, where required, of the 'Must Do's' and 'Should Do' actions required to improve services and patient safety within the Trust. The Trusts CQC improvement plan is managed by the Quality Summit Group and monitored by the Executive Quality Governance Group. Escalation and assurances is provided to the Quality Governance Committee, a Board sub-committee with delegated authority from Trust Board to oversee matters relating to quality care and the maintenance of unconditional registration with the CQC.

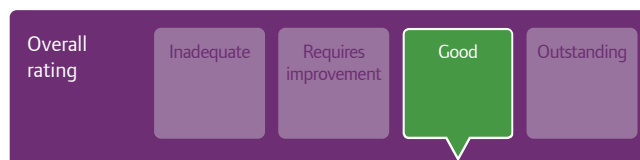
The improvement plan provides a progress update to the Quality Summit bi-monthly on the areas identified for improvement and provides identified monitoring and assurance routes to embed improvements into a business as usual approach.

As part of the Trusts 'commitment to Quality' and journey from 'Good to Outstanding', the Executive Quality Governance Group oversees the strengthening of the Trust's local quality governance and assurance systems and processes, including the position in each division and



Last rated
19 September 2018

Mid Cheshire Hospitals NHS Foundation
Trust



Are services

Safe?	Requires improvement
Effective?	Good
Caring?	Good
Responsive?	Good
Well led?	Good

Community Services (CCICP) against each of the CQC domains. Subsequent escalation and assurances will be via the committee structure to the Quality Governance Committee, and ultimately the Trust Board, maintaining a 'Ward to Board' approach.

The Trust has maintained its quarterly meetings with its designated CQC Relationship Manager. These quarterly Relationship meetings have a defined structure and format to ensure a consistent approach to relationship management. These meetings assist the Relationship Manager in developing an understanding of the organisation and, additionally, they will inform the CQC's regulatory planning.

The NHS Improvement Use of Resources assessment is an additional sixth key question which has been introduced in to the CQC inspection process and is

combined with the Trusts overall quality rating for safe, effective, caring, responsive and well-led. The Use of Resources assessments are designed to improve understanding of how effectively and efficiently trusts are using their resources. Analysis is followed by a qualitative assessment by a team from NHS Improvement during a one-day site visit to the trust. Aspects such as finances, workforce, estates and facilities, technology and procurement and the outcome of this assessment will be published alongside the Trusts CQC Inspection report.

In September 2018 the CQC Use of Resources assessment demonstrated an overall rating of 'Good' against Trust's Use of Resource, combined with the Trusts overall quality rating.

The Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

Data Quality Assurance

NHS and General Practitioner registration code validity (April 17 – November 17 From NHS Digital SUS dashboard)

The Trust submitted records during 2018/19 to the secondary uses service for inclusion in the Hospital Episodes Statistics which are included in the latest published data.

The percentage of records in the published data which included the patient's valid NHS number was:

- 99.6% for admitted patient care
- 99.9% for outpatient care
- 98.5% for accident and emergency care.

The percentage of records in the published data which included the patient's valid General Medical Practice code was:

- 100% for admitted patient care;
- 100% for outpatient care;
- 100% for accident and emergency care.

Data Security and Protection Toolkit attainment

The Trust has completed its 2019/20 Data Security and Protection Toolkit submission, achieving 99 of 100 mandatory assertions, resulting in a 'Standards Not Met' overall assessment. An improvement plan will be developed and monitored to support the Trust in achieving the required training compliance by July 2019.

Clinical coding error rate

In 2018/19 the Clinical Coding department were subject to a Data Security Protection (DSP) Toolkit audit, this has replaced the Information Governance Toolkit audit. The results of the DSP audit are listed in the table below. The

IG toolkit level requirements have also been included as a point of reference, for the standard attained by the Clinical Coding department, in this year's DSP audit.

The accuracy results give Mid Cheshire Hospital NHS Foundation Trust a performance Level 2.








Coding Field	% Correct	IG Level 2	IG Level 3
Primary Diagnosis	94.00%	90.00%	95.00%
Secondary Diagnosis	94.03%	80.00%	90.00%
Primary Procedure	95.24%	90.00%	95.00%
Secondary Procedure	96.48%	80.00%	90.00%

The Trust was not subject to the Payment by Results clinical coding audit during 2018/19 by the Audit Commission. The Trust will continue to take the following actions to improve data quality:

- Deliver a robust annual coding audit programme to ensure that staff maintain and enhance their skills in line with the National Clinical Coding Standards.
- Action any recommendations from the Clinical Coding Audits, escalating to the Data Quality Group where appropriate.
- Continue to support and deliver an internal training programme for the Novice Clinical Coders, through the mentorship programme delivered by the Clinical Coding Team Leaders.
- Continue to deliver required training to all Clinical Coders and support them in their professional development.
- The Clinical Coding Management team will continue to develop the clinician engagement programme to promote the importance of accurate clinical data.
- Continually review coding resources and performance

Performance against quality indicators and targets

National quality targets

	2014-15	2015-16	2016-17	2017-18	2018-19	Target	Achieved
Clostridium Difficile infections	10 avoidable cases	10 avoidable cases	3 avoidable cases	2 avoidable cases	2 avoidable case	23	
Percentage of patient who wait 4 hours or less in A&E	92.24%	93.40%	90.20%	87.12%	83.63%	95%	
The percentage of patients waiting 6 weeks or more for a diagnostic test	0.37%	0.55%	0.34%	0.31%	0.37%	1%	
Summary Hospital-level Mortality Indicator		100	103.85	104.39	105.48		
Venous thromboembolism (VTE) risk assessment		96.11%	96.09%	95.50%	95.30%	95%	
Percentage of patients receiving first definite treatment for cancer within 62 days of an urgent GP referral for suspected cancer	89.24%	91.22%	92.90%	93.70%	88.98%	85%	
Percentage of patients receiving first definite treatment for cancer within 62 days of referral from an NHS Cancer Screening Service	95.94%	97.94%	95.40%	97.09%	94.44%	90%	
The percentage of Referral to Treatment (RTT) pathways within 18 weeks for incomplete pathways	94.45%	95.02%	94.40%	95.90%	92.39%	92%	

National quality indicators

Since 2012/13, all Trusts have been required to report performance against a core set of indicators using data made available to the trust by NHS Digital.

For each indicator the numbers, percentages, values, scores or rates of each of the NHS Foundation Trust's indicators should be compared with:

- The national average for the same, and
- NHS Trusts and NHS foundation Trusts with the highest and lowest for the same.

The value and banding of the summary hospital-level mortality indicator ('SHMI'):

Indicator	Measure Description			
SHMI	A) The value and banding of the summary hospital-level mortality indicator ('SHMI') for the Trust for the reporting: and			
Period	Trust Performance	National Average	95% Upper Limit	95% Lower Limit
January 2016 - December 2016	104.24	100	112.09	89.22
April 2016 – March 2017	103.85	100	112.31	89.04
July 2016 – June 2017	102.97	100	112.37	88.99
October 16 - September 17	103.71	100	112.05	89.25
January 17 - December 17	104.12	100	112.47	88.91
April 17 - March 18	104.39	100	112.57	88.84
July 17 - June 18	104.75	100	112.51	88.88
October 17 - September 18	105.48	100	112.72	88.72

The Trust considers that this data is as described for the following reasons:

- For the reporting period October 2017 to September 2018, the SHMI is currently 105.48 and is in the 'as expected' range. This currently places the Trust 88 out of 131
- The month on month changes to the Trust SHMI and HSMR is caused by a number of different factors but mainly driven by natural variation in admissions resulting in death across the whole country. Using these models, the Trust has maintained a mortality rate that is 'within the expected range' for each month and quarterly release.

The Trust has taken the following actions to improve this result, and so the quality of its service, by:

- The Trust has a well-established Hospital Mortality Reduction Group (HMRG) led by the Medical Director. This group monitors the mortality reduction improvement plans across the Trust. On a quarterly basis the HMRG meets with the divisional mortality reduction groups to ensure a unified approach to mortality reduction across the Trust and to share learning opportunities.

The HMRG developed a reducing hospital mortality rates driver diagram, which has been reviewed and approved by HMRG. There are five primary drivers:

- **Reliable Clinical Care**
- **Effective Clinical Care**
- **Medical Documentation, Clinical Coding and Data Quality**
- **End of life Care**
- **Leadership**

Percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust:

Indicator	Measure Description			
SHMI	B) The percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust for the reporting period.			
Period	Trust Performance	National Average	95% Upper Limit	95% Lower Limit
July 16 - June 17	0.88%	1.06%	2.18%	0.41%
October 16 - September 17	0.91%	1.08%	2.27%	0.42%
January 17 - December 17	0.95%	1.11%	2.28%	0.46%
April 17 - March 18	0.96%	1.14%	2.19%	0.49%
July 17 - June 18	0.91%	1.14%	2.89%	0.44%
October 17 - September 18	0.88%	1.14%	2.83%	0.48%

This is an indicator designed to accompany the Summary Hospital-level Mortality Indicator (SHMI) and represents the percentage of deaths reported in the SHMI indicator where the patient received palliative care.

The SHMI makes no adjustments for palliative care. This indicator presents the crude percentage rates of death that are coded with palliative care either in diagnosis or treatment speciality.

The Trust's patient reported outcome measure scores for groin hernia surgery, varicose vein surgery, hip replacement surgery and knee replacement surgery during the reporting period:

Indicator	Measure Description				
PROM	The Trust's patient reported outcome measure scores for hip replacement surgery and knee replacement surgery during the reporting period.				
Date	Measure	Trust performance	National Average	Highest Result	Lowest Result
Hip Replacement					
2016-2017	EQ5D	0.415	0.437	0.533	0.328
2017-2018	EQ5D	0.448	0.458	0.550	0.357
2016-2017	VAS	12.768	13.112	20.183	7.893
2017-2018	VAS	11.567	13.877	18.514	7.991
2016-2017	OXFORD HIP	20.441	21.379	25.044	15.968
2017-2018	OXFORD HIP	21.682	22.210	25.045	18.000
Knee Replacement					
2016-2017	EQ5D	0.308	0.322	0.398	0.237
2017-2018	EQ5D	0.328	0.334	0.406	0.254
2016-2017	VAS	6.098	6.850	14.443	0.465
2017-2018	VAS	7.169	8.153	13.985	1.752
2016-2017	OXFORD KNEE	15.858	16.393	19.686	12.231
2017-2018	OXFORD KNEE	17.830	17.102	20.394	12.899

The data demonstrates an overall improvement in patient reported outcome measure results in hip and knee surgery compared to 2016/17 data. This improvement does not include the visual analogue score (VAS) which is reported at a lower rate.

The Trust considers that these results are as described for the following reasons:

- Trust performance data represents the adjusted average health gains which have been calculated using statistical models which account for the fact that each provider organisation deals with patients with different case-mixes
- Data allows for fair comparisons between providers and England as a whole. Random variation in patients mean that small differences in averages, even when case-mix adjusted, may not be statistically significant
- Case mix adjusted figures are calculated only where there are at least 30 modelled records.

The Trust intends to take/has taken for the following actions to improve this result, and therefore the quality of its service, by:

- Continuing to monitor feedback from patients at their follow-up clinic appointments
- Reviewing the results on a case by case basis for those patients who feel they did not have a good outcome against the outcome recorded in the clinical records
- Continuing to use information leaflets which describe the process and value of the information collected through the use of the PROMS questionnaire
- Undertaking phone calls to patients at home 48 hours following discharge from their hip and knee replacement surgery.

The percentage of patients aged 0 to 14 readmitted to a hospital which forms part of the Trust within 28 days of being discharged:

Indicator	Measure Description	
Readmission Rates	The percentage of patients aged 0 to 14 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.	
Period	Trust per HED	Peer Group av HED
Jan 2014 – Dec 2014	11.40%	10.90%
Jan 2015 – Dec 2015	11.40%	10.40%
Jan 2016 – Dec 2016	12.14%	10.44%
Jan 2017 - Dec 2017	12.41%	10.69%
Jan 2018 - Sep 2018	13.74%	11.06%

The Trust considers that these results are as described for the following reasons:

- Readmission rates for patients aged 0 – 14 have been increasing both nationally and locally. Paediatric admissions generally have a high rate of readmission due to the offer extended to the child and family to return straight to ward should there be a worry once back home.

The Trust intends to take/has taken for the following actions to improve this result, and therefore the quality of its service, by:

- Further work to understand other key influences of this increasing rate is ongoing and consideration will then be given as to how actions can be effectively implemented to improve the rate

The percentage of patients aged 15 and over readmitted to a hospital which forms part of the Trust within 28 days of being discharged

Indicator	Measure Description	
Readmission Rates	The percentage of patients aged 15 and 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.	
Period	Trust per HED	Peer Group av HED
Jan 2014 – Dec 2014	8.60%	7.70%
Jan 2015 – Dec 2015	7.90%	7.10%
Jan 2016 – Dec 2016	8.23%	7.73%
Jan 2017 - Dec 2017	9.04%	8.16%
Jan 2018 - Sep 2018	9.09%	8.40%

The Trust considers that this data is as described for the following reasons:

- There has been a significant increase in short stay emergency admissions which will have an impact on a Trust's readmission rate. In spite of this dramatic increase, the rate of readmissions has only increased 0.05% year to date at Mid Cheshire. This is set against an increase at peer Trusts of an average of 0.25% year to date.

The Trust has taken the following actions to improve this result, and so the quality of its service, by:

- Focusing efforts to bring the readmissions down further this year through closer working with system partners such as CCICP (Central Cheshire Integrated Care Partnership). By working closer together with care in the community, deterioration/exasperations can be prevented, thus reducing the readmissions
- The Trust has undertaken a review of all divisional and specialities readmission rates and no theme have been identified. To further support this work a further “deep dive” relating to readmissions was carried out at Elmhurst, the summary of the review highlighted that the readmission related to co-morbidities and a complex patient cohort. No earlier interventions or alternatives to admission were identified to support.

The Trust's responsiveness to the personal needs

Indicator	Measure Description			
Responsiveness to patient needs	Trust Performance 2016/2017	2017/2018	National Average	2017-18 95% confidence interval
Access and Waiting	83.3	79.3	83.5	0.19
Safe, high quality, coordinated care	65.7	67.3	72.6	0.23
Better information, more choice	63.6	66.3	68.6	0.27
Building closer relationships	85.0	87.5	85.8	0.15
Clean, comfortable, friendly place to be	78.7	78.7	81.4	0.13
Inpatient overall patient experience score	75.6	77.5	78.4	0.14

If patients reported all aspects of their care as ‘good’, we would expect a score of at least 60. If they reported all aspects as ‘very good’, we would expect a score of at least 80.

Source: NHS Patient Survey Programme, Care Quality Commission

Further details of the methodology can be found in the methodology paper at:

<http://www.england.nhs.uk/statistics/statistical-work-areas/pat-exp/>

The Trust considers that this data is as described for the following reasons:

Access and Waiting

Three survey questions, domain score reducing from 83.3 to 79.3. This domain captures information about how frequently admission dates are changed, how long patients wait for treatment (higher scores for shorter waits) and how long patients wait after arriving to be allocated a bed. For this domain, all three questions scores have reduced. The Trust has scored worse than the national average for this section.

Safe, high quality, co-ordinated care

This domain includes questions about whether patients were given consistent messages by different members of staff and whether there were delays in discharge from hospital. Of the two questions in this domain, one score has decreased and one score has improved with fewer patients reported experience of delayed discharges (score increasing from 65.7 to 67.3).

Better information, more choice

This domain captures feedback on whether patients were involved as much as they wanted to be in decisions about their care and treatment and whether staff clearly explained the purpose and side effects of medicines. Two questions that form this domain have shown improved scores and one remains the same.

- More patients were satisfied with their involvement in decisions about their care and treatment (score increasing from 69 to 74).
- More patients reported being told about medication side effects to watch for at home (score increasing from 41 to 44).
- More patients received an explanation of the purpose of the medications they were to take at home (score remains the same at 81).

Building closer relationships

Four survey questions, domain score increasing from 85 to 87.5. This domain assesses whether doctors or nurses provided information to patients in a way they could understand and whether doctors or nurses spoke about patients as if they weren't there. Three of the four questions included in this domain improved scores and one remains the same.

- Fewer health professionals spoke in front of patients as if they weren't there (for doctors the score increased from 85 to 89 and for nurses the score remains the same at 90.0)
- More health professionals gave information to patients in a way they could understand (for doctors the score increased from 82 to 86 and for nurses the score increased from 83 to 85).

Clean, comfortable, friendly place to be

Seven survey questions, domain score remains the same at 78.7. This domain captures feedback on whether patients were disturbed by noise at night, asking patients what they thought about the cleanliness of their hospital room or ward and how patients felt they were treated by staff, including how much privacy they were given, whether they were helped to manage their pain and if they felt that they were treated with dignity and respect. There has been an improvement in two of the seven question scores. Two scores are reduced – noise and cleanliness.

- Patients' opinions of cleanliness of the room or ward stayed the same (score reduced from 89 to 87).
- Patients' reporting of whether they were treated with respect and dignity stayed the same (score remaining at 90).
- The score rating for hospital food increased from 57 to 60.

The Overall Score has improved from 75.6 to 77.5

The Trust has taken the following actions to improve this result, and so the quality of its service, by:

- To reduce unnecessary noise at night re-launch Quiet Protocol and to include "Invest to Rest" Campaign
- Improve ward cleanliness
- Continue to improve efficiency of patients being discharge from hospital by extending system of ward labelling of medication and support from ward based pharmacy staff and the ward discharge co-ordinators.
- Scores have been included from Survey Contractor as the CQC Benchmark report is not available until June 2019.

Staff employed by the Trust who would recommend the Trust as a provider of care to their family or friends (scores out of 5).

Indicator	Measure Description			
Friends & Family	Staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends.			
Period	Trust Performance	National Average	Upper Limit	Lower Limit
2017 staff survey	75%	70.2%	89.3%	48%
2018 staff survey	77.5%	69.9%	90.3%	49.2%

The Trust considers that this data is as described for the following reasons:

- The 2018 results place the Trust in the reporting category of combined acute and community trusts, instead of solely acute trust for the second year.

The Trust has taken the following actions to improve this result, and so the quality of its service, by:

- Creating action plans within divisions and Central Cheshire Integrated Care Partnership (CCICP) which focus on delivering sustainable improvement in the experience of our staff.
- Involving staff in decision-making and keeping them informed of changes and developments across the organisation.
- Taking an open and honest approach in ensuring staff are informed about the Trust's performance and key decisions being made, as well as giving staff the opportunity to put forward any views or suggestions about how we can improve the experience of our patients, services users and staff
- Working with seven staff Governors who make a valuable contribution to the governance and development of the organisation.
- Delivering a new Trust induction programme which is the first step in helping new staff to get to know more about the Trust and how we involve and engage them in our decision-making.
- Delivering 'Employee of the Month' and 'Team of the Month' schemes which provide staff with recognition for going above and beyond what is expected.
- Using a range of well-established forums for consulting with and engaging staff and their representatives, including:
 1. Regular Executive and Non-executive ward safety visits;
 2. Executive Director walkabouts
 3. Regular formal and informal meetings with our Trade Union representatives, (Joint Local Negotiating Committee and Joint Consultation & Negotiation Committee)

4. Weekly CEO Brief
5. Regular Trust Briefings, (Trust Update and Payday Press)
6. CEO drop-in surgeries
7. CEO Engagement Events
8. Forward thinking events.
9. Staff Focus Groups
10. Bright Ideas Scheme
11. All Together Newsletter

The percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism (VTE).

Indicator	Measure Description			
VTE	The percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period.			
Period	Trust Performance	National Average	95% Upper Limit	95% Lower Limit
January 2016 - March 2016	95.44%	96.00%	100.00%	78.06%
April 2016 – June 2016	95.56%	96.00%	100.00%	80.61%
July 2016 – October 2016	96.52%	96.00%	100.00%	72.14%
October 2016 - December 2016	96.17%	96.00%	100.00%	76.48%
January 2017 - March 2017	95.61%	96.00%	99.87%	63.02%
April 2017 – June 2017	95.58%	96.00%	99.97%	51.38%
July 2017 - October 2017	95.55%	No data available	No data available	No data available
October 2017 - December 2017	95.31%	No data available	No data available	No data available
January 2018 - March 2018	94.59%	No data available	No data available	No data available
April 2018 - June 2018	95.07%	No data available	No data available	No data available
July 2018 - September 2018	95.57%	No data available	No data available	No data available
October 2018 - December 2018	95.24%	No data available	No data available	No data available

The Trust considers that this data is as described for the following reasons:

- The Trust continues to achieve the 95% target for the completion of VTE risk assessment by implementing a number of actions as described below.

The Trust has taken the following actions to improve this result, and therefore the quality of its service, by:

- Monthly monitoring of the percentage of patients risk assessed for VTE by the clinical divisions
- Quarterly monitoring of the percentage of patients risk assessed for VTE through the Executive led quarterly divisional quality assurance reviews
- Regular review of the VTE risk assessment tool to ensure it continues to be compliant with National Institute for Health and Clinical Excellence (NICE) guidance. The tool is included within the Trust admission proforma to ensure it is completed in a timely manner at admission and the appropriate VTE prevention interventions are implemented
- Continued education for medical staff on induction on the importance of VTE assessment.

The rate per 100,000 bed days of cases of C.difficile infection reported within the Trust amongst patients aged 2 or over

Indicator	Measure Description			
C.Difficile	The rate per 100,000 bed days of cases of C.difficile infection reported within the Trust amongst patients aged 2 or over during the reporting period.			
Period	Trust Performance	National Average	95% Upper Limit	95% Lower Limit
2014-2015	13.8	15.1	62.2	0
2015-2016	22.2	15.1	67.2	0
2016-2017	12.2	14.92	82.6	0
2017-2018	11.1	13.65	90.3	0
2018-2019	21.54	Not yet published	Not yet published	Not yet published

The Trust considers that this data is as described for the following reasons:

- The Trust continues to have a robust Post Infection Review (PIR) process in place for all cases of Clostridium difficile (CDI) including a secondary review with our Commissioners, this facilitates the opportunity to review the case and establish if any "lapse of care" has occurred either contributing or not contributing to the development of CDI. This is a learning opportunity aimed at implementing/strengthening procedures to reduce the risk of CDI developing in other patients.

The Trust has taken the following actions to improve this result, and therefore the quality of its service, by:

- The Trust objective for 2018/19 was 23 cases. The Trust reported 24 cases of C.Difficile for 2018/19, of which 2 have been identified as avoidable cases, the remaining cases have been identified as unavoidable.
- Antimicrobial stewardship is closely monitored in line with Trust policy ensuring a focus on antimicrobial prescribing and feedback to medical staff
- Multi-disciplinary bedside reviews of all CDI positive patients throughout their stay
- IPC team now has dedicated clinical areas assigned to them.
- Shared learning via the divisions quality forums.

The number of patient safety incidents reported within the Trust

Indicator	Measure Description			
Patient Safety Incidents	The number and, where available, rate of patient safety incidents reported within the Trust during the reporting period.			
Period	Trust Performance	National Average	95% Upper Limit	95% Lower Limit
April 2014 – September 2014	2,814	2,052	4,301	908
October 2014 – March 2015	2,767	4,539	12,784	443
April 2015 – September 2015	3,159	4,647	12,080	1,559
October 2015 – March 2016	3,116	4,818	11,998	1,499
April 2016 – September 2016	3,348	4,955	13,485	1,485
April 2017 – September 2017	3485	5226	15,228	1133
October 2017- March 2018	3462	5449	19,897	1,311

The Trust considers that this data is as described for the following reasons:

- Nationally, it is viewed that being a high reporter of incidents is a positive position as it demonstrates a risk aware culture within the Trust and highlights that staff are not afraid to report patient safety incidents.
- The majority of the incidents reported resulted in no harm to the patient, which again demonstrates a positive risk aware culture within the Trust.

The Trust has taken the following actions to improve the reporting of patient safety incidents and therefore the quality of its service:

- Patient Safety Summit is a twice monthly meeting led by clinical teams. The Summit provides an opportunity for cross-divisional/ CCICP learning and sharing of immediate learning following incidents. All moderate and above patient safety incidents are discussed at the Summit and clinical teams are encouraged to attend to promote learning and improvement. The Patient Safety Summit is chaired by the Medical Director.
- Following each Patient Safety Summit a 'Safety Matters' newsletter is developed and distributed across the organisation. The newsletter contains learning from incidents, mortality case note reviews, local or national updates and Summit messages of the week.

Pictured: an example of the 'Safety Matters' newsletter, which is distributed following each Patient Safety Summit

What is Patient Safety Summit?
Patient Safety Summit is a bi-weekly meeting led by clinical teams. The Summit provides an opportunity for cross divisional / CCICP learning and sharing of immediate learning following incidents. All moderate and above patient safety incidents are discussed at the Summit and clinical teams are encouraged to attend to promote learning and improvement. The Patient Safety Summit is chaired by the Medical Director.

Summit Messages: 1 August 2018 - Patient Observations
A number of incidents have been reported where patients have not had their vital signs recorded in line with Trust policy, resulting in potential harm to our patients. Monitoring vital signs is essential for patients who are acutely unwell or at risk of clinical deterioration. The Trust policy, Adult Inpatient Vital Signs and EWS Monitoring, version 2.1 states the minimum frequency of observations. For the purpose of safe monitoring of patients the policy stipulates that in the: **Emergency Department (ED):**

- EWS monitoring must be commenced as soon as the decision to admit a patient has been taken.
- Frequency of EWS observations to be carried out within the ED should then be decided by the ED team, according to individual patient's needs.
- EWS must be recorded within 15 minutes of departure from the ED.

Inpatient Wards:

- EWS must be recorded within 15 minutes of departure from an admission area.
- EWS must be recorded as soon as possible and within 30 minutes of arrival / admission to a ward.
- EWS must be recorded within 60 minutes prior to transferring a patient to another ward or department.
- Vital signs and EWS must be recorded at least 4 hourly for the first 24 hours for all newly admitted, non-elective cases, unless documented otherwise by a doctor.
- After the first 24 hours of admission, a minimum of 8 hourly EWS should be recorded if the patient is scoring EWS 0. Any reduction in this frequency must be agreed amongst the nurses and doctors caring for the individual patient and documented.
- For any EWS > 0, ward staff should follow the EWS escalation guideline (see below) to determine the minimum frequency of observation for individual patients.

Observation	Action	Responsible Person
1. EWS 1 = 0	Check patient's vital signs and EWS score. If EWS score is 0, check patient's vital signs and EWS score again in 15 minutes.	Nurse
2. EWS 1 = 1	Check patient's vital signs and EWS score. If EWS score is 1, check patient's vital signs and EWS score again in 15 minutes.	Nurse
3. EWS 1 = 2	Check patient's vital signs and EWS score. If EWS score is 2, check patient's vital signs and EWS score again in 15 minutes.	Nurse
4. EWS 1 = 3	Check patient's vital signs and EWS score. If EWS score is 3, check patient's vital signs and EWS score again in 15 minutes.	Nurse
5. EWS 1 = 4	Check patient's vital signs and EWS score. If EWS score is 4, check patient's vital signs and EWS score again in 15 minutes.	Nurse
6. EWS 1 = 5	Check patient's vital signs and EWS score. If EWS score is 5, check patient's vital signs and EWS score again in 15 minutes.	Nurse
7. EWS 1 = 6	Check patient's vital signs and EWS score. If EWS score is 6, check patient's vital signs and EWS score again in 15 minutes.	Nurse
8. EWS 1 = 7	Check patient's vital signs and EWS score. If EWS score is 7, check patient's vital signs and EWS score again in 15 minutes.	Nurse
9. EWS 1 = 8	Check patient's vital signs and EWS score. If EWS score is 8, check patient's vital signs and EWS score again in 15 minutes.	Nurse
10. EWS 1 = 9	Check patient's vital signs and EWS score. If EWS score is 9, check patient's vital signs and EWS score again in 15 minutes.	Nurse
11. EWS 1 = 10	Check patient's vital signs and EWS score. If EWS score is 10, check patient's vital signs and EWS score again in 15 minutes.	Nurse
12. EWS 1 = 11	Check patient's vital signs and EWS score. If EWS score is 11, check patient's vital signs and EWS score again in 15 minutes.	Nurse
13. EWS 1 = 12	Check patient's vital signs and EWS score. If EWS score is 12, check patient's vital signs and EWS score again in 15 minutes.	Nurse
14. EWS 1 = 13	Check patient's vital signs and EWS score. If EWS score is 13, check patient's vital signs and EWS score again in 15 minutes.	Nurse
15. EWS 1 = 14	Check patient's vital signs and EWS score. If EWS score is 14, check patient's vital signs and EWS score again in 15 minutes.	Nurse
16. EWS 1 = 15	Check patient's vital signs and EWS score. If EWS score is 15, check patient's vital signs and EWS score again in 15 minutes.	Nurse
17. EWS 1 = 16	Check patient's vital signs and EWS score. If EWS score is 16, check patient's vital signs and EWS score again in 15 minutes.	Nurse
18. EWS 1 = 17	Check patient's vital signs and EWS score. If EWS score is 17, check patient's vital signs and EWS score again in 15 minutes.	Nurse
19. EWS 1 = 18	Check patient's vital signs and EWS score. If EWS score is 18, check patient's vital signs and EWS score again in 15 minutes.	Nurse
20. EWS 1 = 19	Check patient's vital signs and EWS score. If EWS score is 19, check patient's vital signs and EWS score again in 15 minutes.	Nurse
21. EWS 1 = 20	Check patient's vital signs and EWS score. If EWS score is 20, check patient's vital signs and EWS score again in 15 minutes.	Nurse
22. EWS 1 = 21	Check patient's vital signs and EWS score. If EWS score is 21, check patient's vital signs and EWS score again in 15 minutes.	Nurse
23. EWS 1 = 22	Check patient's vital signs and EWS score. If EWS score is 22, check patient's vital signs and EWS score again in 15 minutes.	Nurse
24. EWS 1 = 23	Check patient's vital signs and EWS score. If EWS score is 23, check patient's vital signs and EWS score again in 15 minutes.	Nurse
25. EWS 1 = 24	Check patient's vital signs and EWS score. If EWS score is 24, check patient's vital signs and EWS score again in 15 minutes.	Nurse
26. EWS 1 = 25	Check patient's vital signs and EWS score. If EWS score is 25, check patient's vital signs and EWS score again in 15 minutes.	Nurse
27. EWS 1 = 26	Check patient's vital signs and EWS score. If EWS score is 26, check patient's vital signs and EWS score again in 15 minutes.	Nurse
28. EWS 1 = 27	Check patient's vital signs and EWS score. If EWS score is 27, check patient's vital signs and EWS score again in 15 minutes.	Nurse
29. EWS 1 = 28	Check patient's vital signs and EWS score. If EWS score is 28, check patient's vital signs and EWS score again in 15 minutes.	Nurse
30. EWS 1 = 29	Check patient's vital signs and EWS score. If EWS score is 29, check patient's vital signs and EWS score again in 15 minutes.	Nurse
31. EWS 1 = 30	Check patient's vital signs and EWS score. If EWS score is 30, check patient's vital signs and EWS score again in 15 minutes.	Nurse
32. EWS 1 = 31	Check patient's vital signs and EWS score. If EWS score is 31, check patient's vital signs and EWS score again in 15 minutes.	Nurse
33. EWS 1 = 32	Check patient's vital signs and EWS score. If EWS score is 32, check patient's vital signs and EWS score again in 15 minutes.	Nurse
34. EWS 1 = 33	Check patient's vital signs and EWS score. If EWS score is 33, check patient's vital signs and EWS score again in 15 minutes.	Nurse
35. EWS 1 = 34	Check patient's vital signs and EWS score. If EWS score is 34, check patient's vital signs and EWS score again in 15 minutes.	Nurse
36. EWS 1 = 35	Check patient's vital signs and EWS score. If EWS score is 35, check patient's vital signs and EWS score again in 15 minutes.	Nurse
37. EWS 1 = 36	Check patient's vital signs and EWS score. If EWS score is 36, check patient's vital signs and EWS score again in 15 minutes.	Nurse
38. EWS 1 = 37	Check patient's vital signs and EWS score. If EWS score is 37, check patient's vital signs and EWS score again in 15 minutes.	Nurse
39. EWS 1 = 38	Check patient's vital signs and EWS score. If EWS score is 38, check patient's vital signs and EWS score again in 15 minutes.	Nurse
40. EWS 1 = 39	Check patient's vital signs and EWS score. If EWS score is 39, check patient's vital signs and EWS score again in 15 minutes.	Nurse
41. EWS 1 = 40	Check patient's vital signs and EWS score. If EWS score is 40, check patient's vital signs and EWS score again in 15 minutes.	Nurse
42. EWS 1 = 41	Check patient's vital signs and EWS score. If EWS score is 41, check patient's vital signs and EWS score again in 15 minutes.	Nurse
43. EWS 1 = 42	Check patient's vital signs and EWS score. If EWS score is 42, check patient's vital signs and EWS score again in 15 minutes.	Nurse
44. EWS 1 = 43	Check patient's vital signs and EWS score. If EWS score is 43, check patient's vital signs and EWS score again in 15 minutes.	Nurse
45. EWS 1 = 44	Check patient's vital signs and EWS score. If EWS score is 44, check patient's vital signs and EWS score again in 15 minutes.	Nurse
46. EWS 1 = 45	Check patient's vital signs and EWS score. If EWS score is 45, check patient's vital signs and EWS score again in 15 minutes.	Nurse
47. EWS 1 = 46	Check patient's vital signs and EWS score. If EWS score is 46, check patient's vital signs and EWS score again in 15 minutes.	Nurse
48. EWS 1 = 47	Check patient's vital signs and EWS score. If EWS score is 47, check patient's vital signs and EWS score again in 15 minutes.	Nurse
49. EWS 1 = 48	Check patient's vital signs and EWS score. If EWS score is 48, check patient's vital signs and EWS score again in 15 minutes.	Nurse
50. EWS 1 = 49	Check patient's vital signs and EWS score. If EWS score is 49, check patient's vital signs and EWS score again in 15 minutes.	Nurse
51. EWS 1 = 50	Check patient's vital signs and EWS score. If EWS score is 50, check patient's vital signs and EWS score again in 15 minutes.	Nurse
52. EWS 1 = 51	Check patient's vital signs and EWS score. If EWS score is 51, check patient's vital signs and EWS score again in 15 minutes.	Nurse
53. EWS 1 = 52	Check patient's vital signs and EWS score. If EWS score is 52, check patient's vital signs and EWS score again in 15 minutes.	Nurse
54. EWS 1 = 53	Check patient's vital signs and EWS score. If EWS score is 53, check patient's vital signs and EWS score again in 15 minutes.	Nurse
55. EWS 1 = 54	Check patient's vital signs and EWS score. If EWS score is 54, check patient's vital signs and EWS score again in 15 minutes.	Nurse
56. EWS 1 = 55	Check patient's vital signs and EWS score. If EWS score is 55, check patient's vital signs and EWS score again in 15 minutes.	Nurse
57. EWS 1 = 56	Check patient's vital signs and EWS score. If EWS score is 56, check patient's vital signs and EWS score again in 15 minutes.	Nurse
58. EWS 1 = 57	Check patient's vital signs and EWS score. If EWS score is 57, check patient's vital signs and EWS score again in 15 minutes.	Nurse
59. EWS 1 = 58	Check patient's vital signs and EWS score. If EWS score is 58, check patient's vital signs and EWS score again in 15 minutes.	Nurse
60. EWS 1 = 59	Check patient's vital signs and EWS score. If EWS score is 59, check patient's vital signs and EWS score again in 15 minutes.	Nurse
61. EWS 1 = 60	Check patient's vital signs and EWS score. If EWS score is 60, check patient's vital signs and EWS score again in 15 minutes.	Nurse
62. EWS 1 = 61	Check patient's vital signs and EWS score. If EWS score is 61, check patient's vital signs and EWS score again in 15 minutes.	Nurse
63. EWS 1 = 62	Check patient's vital signs and EWS score. If EWS score is 62, check patient's vital signs and EWS score again in 15 minutes.	Nurse
64. EWS 1 = 63	Check patient's vital signs and EWS score. If EWS score is 63, check patient's vital signs and EWS score again in 15 minutes.	Nurse
65. EWS 1 = 64	Check patient's vital signs and EWS score. If EWS score is 64, check patient's vital signs and EWS score again in 15 minutes.	Nurse
66. EWS 1 = 65	Check patient's vital signs and EWS score. If EWS score is 65, check patient's vital signs and EWS score again in 15 minutes.	Nurse
67. EWS 1 = 66	Check patient's vital signs and EWS score. If EWS score is 66, check patient's vital signs and EWS score again in 15 minutes.	Nurse
68. EWS 1 = 67	Check patient's vital signs and EWS score. If EWS score is 67, check patient's vital signs and EWS score again in 15 minutes.	Nurse
69. EWS 1 = 68	Check patient's vital signs and EWS score. If EWS score is 68, check patient's vital signs and EWS score again in 15 minutes.	Nurse
70. EWS 1 = 69	Check patient's vital signs and EWS score. If EWS score is 69, check patient's vital signs and EWS score again in 15 minutes.	Nurse
71. EWS 1 = 70	Check patient's vital signs and EWS score. If EWS score is 70, check patient's vital signs and EWS score again in 15 minutes.	Nurse
72. EWS 1 = 71	Check patient's vital signs and EWS score. If EWS score is 71, check patient's vital signs and EWS score again in 15 minutes.	Nurse
73. EWS 1 = 72	Check patient's vital signs and EWS score. If EWS score is 72, check patient's vital signs and EWS score again in 15 minutes.	Nurse
74. EWS 1 = 73	Check patient's vital signs and EWS score. If EWS score is 73, check patient's vital signs and EWS score again in 15 minutes.	Nurse
75. EWS 1 = 74	Check patient's vital signs and EWS score. If EWS score is 74, check patient's vital signs and EWS score again in 15 minutes.	Nurse
76. EWS 1 = 75	Check patient's vital signs and EWS score. If EWS score is 75, check patient's vital signs and EWS score again in 15 minutes.	Nurse
77. EWS 1 = 76	Check patient's vital signs and EWS score. If EWS score is 76, check patient's vital signs and EWS score again in 15 minutes.	Nurse
78. EWS 1 = 77	Check patient's vital signs and EWS score. If EWS score is 77, check patient's vital signs and EWS score again in 15 minutes.	Nurse
79. EWS 1 = 78	Check patient's vital signs and EWS score. If EWS score is 78, check patient's vital signs and EWS score again in 15 minutes.	Nurse
80. EWS 1 = 79	Check patient's vital signs and EWS score. If EWS score is 79, check patient's vital signs and EWS score again in 15 minutes.	Nurse
81. EWS 1 = 80	Check patient's vital signs and EWS score. If EWS score is 80, check patient's vital signs and EWS score again in 15 minutes.	Nurse
82. EWS 1 = 81	Check patient's vital signs and EWS score. If EWS score is 81, check patient's vital signs and EWS score again in 15 minutes.	Nurse
83. EWS 1 = 82	Check patient's vital signs and EWS score. If EWS score is 82, check patient's vital signs and EWS score again in 15 minutes.	Nurse
84. EWS 1 = 83	Check patient's vital signs and EWS score. If EWS score is 83, check patient's vital signs and EWS score again in 15 minutes.	Nurse
85. EWS 1 = 84	Check patient's vital signs and EWS score. If EWS score is 84, check patient's vital signs and EWS score again in 15 minutes.	Nurse
86. EWS 1 = 85	Check patient's vital signs and EWS score. If EWS score is 85, check patient's vital signs and EWS score again in 15 minutes.	Nurse
87. EWS 1 = 86	Check patient's vital signs and EWS score. If EWS score is 86, check patient's vital signs and EWS score again in 15 minutes.	Nurse
88. EWS 1 = 87	Check patient's vital signs and EWS score. If EWS score is 87, check patient's vital signs and EWS score again in 15 minutes.	Nurse
89. EWS 1 = 88	Check patient's vital signs and EWS score. If EWS score is 88, check patient's vital signs and EWS score again in 15 minutes.	Nurse
90. EWS 1 = 89	Check patient's vital signs and EWS score. If EWS score is 89, check patient's vital signs and EWS score again in 15 minutes.	Nurse
91. EWS 1 = 90	Check patient's vital signs and EWS score. If EWS score is 90, check patient's vital signs and EWS score again in 15 minutes.	Nurse
92. EWS 1 = 91	Check patient's vital signs and EWS score. If EWS score is 91, check patient's vital signs and EWS score again in 15 minutes.	Nurse
93. EWS 1 = 92	Check patient's vital signs and EWS score. If EWS score is 92, check patient's vital signs and EWS score again in 15 minutes.	Nurse
94. EWS 1 = 93	Check patient's vital signs and EWS score. If EWS score is 93, check patient's vital signs and EWS score again in 15 minutes.	Nurse
95. EWS 1 = 94	Check patient's vital signs and EWS score. If EWS score is 94, check patient's vital signs and EWS score again in 15 minutes.	Nurse
96. EWS 1 = 95	Check patient's vital signs and EWS score. If EWS score is 95, check patient's vital signs and EWS score again in 15 minutes.	Nurse
97. EWS 1 = 96	Check patient's vital signs and EWS score. If EWS score is 96, check patient's vital signs and EWS score again in 15 minutes.	Nurse
98. EWS 1 = 97	Check patient's vital signs and EWS score. If EWS score is 97, check patient's vital signs and EWS score again in 15 minutes.	Nurse
99. EWS 1 = 98	Check patient's vital signs and EWS score. If EWS score is 98, check patient's vital signs and EWS score again in 15 minutes.	Nurse
100. EWS 1 = 99	Check patient's vital signs and EWS score. If EWS score is 99, check patient's vital signs and EWS score again in 15 minutes.	Nurse
101. EWS 1 = 100	Check patient's vital signs and EWS score. If EWS score is 100, check patient's vital signs and EWS score again in 15 minutes.	Nurse
102. EWS 1 = 101	Check patient's vital signs and EWS score. If EWS score is 101, check patient's vital signs and EWS score again in 15 minutes.	Nurse
103. EWS 1 = 102	Check patient's vital signs and EWS score. If EWS score is 102, check patient's vital signs and EWS score again in 15 minutes.	Nurse
104. EWS 1 = 103	Check patient's vital signs and EWS score. If EWS score is 103, check patient's vital signs and EWS score again in 15 minutes.	Nurse
105. EWS 1 = 104	Check patient's vital signs and EWS score. If EWS score is 104, check patient's vital signs and EWS score again in 15 minutes.	Nurse
106. EWS 1 = 105	Check patient's vital signs and EWS score. If EWS score is 105, check patient's vital signs and EWS score again in 15 minutes.	Nurse
107. EWS 1 = 106	Check patient's vital signs and EWS score. If EWS score is 106, check patient's vital signs and EWS score again in 15 minutes.	Nurse
108. EWS 1 = 107	Check patient's vital signs and EWS score. If EWS score is 107, check patient's vital signs and EWS score again in 15 minutes.	Nurse
109. EWS 1 = 108	Check patient's vital signs and EWS score. If EWS score is 108, check patient's vital signs and EWS score again in 15 minutes.	Nurse
110. EWS 1 = 109	Check patient's vital signs and EWS score. If EWS score is 109, check patient's vital signs and EWS score again in 15 minutes.	Nurse
111. EWS 1 = 110	Check patient's vital signs and EWS score. If EWS score is 110, check patient's vital signs and EWS score again in 15 minutes.	Nurse
112. EWS 1 = 111	Check patient's vital signs and EWS score. If EWS score is 111, check patient's vital signs and EWS score again in 15 minutes.	Nurse
113. EWS 1 = 112	Check patient's vital signs and EWS score. If EWS score is 112, check patient's vital signs and EWS score again in 15 minutes.	Nurse
114. EWS 1 = 113	Check patient's vital signs and EWS score. If EWS score is 113, check patient's vital signs and EWS score again in 15 minutes.	Nurse
115. EWS 1 = 114	Check patient's vital signs and EWS score. If EWS score is 114, check patient's vital signs and EWS score again in 15 minutes.	Nurse
116. EWS 1 = 115	Check patient's vital signs and EWS score. If EWS score is 115, check patient's vital signs and EWS score again in 15 minutes.	Nurse
117. EWS 1 = 116	Check patient's vital signs and EWS score. If EWS score is 116, check patient's vital signs and EWS score again in 15 minutes.	Nurse
118. EWS 1 = 117	Check patient's vital signs and EWS score. If EWS score is 117, check patient's vital signs and EWS score again in 15 minutes.	Nurse
119. EWS 1 = 118	Check patient's vital signs and EWS score. If EWS score is 118, check patient's vital signs and EWS score again in 15 minutes.	Nurse
120. EWS 1 = 119	Check patient's vital signs and EWS score. If EWS score is 119, check patient's vital signs and EWS score again in 15 minutes.	Nurse
121. EWS 1 = 120	Check patient's vital signs and EWS score. If EWS score is 120, check patient's vital signs and EWS score again in 15 minutes.	Nurse
122. EWS 1 = 121	Check patient's vital signs and EWS score. If EWS score is 121, check patient's vital signs and EWS score again in 15 minutes.	Nurse
123. EWS 1 = 122	Check patient's vital signs and EWS score. If EWS score is 122, check patient's vital signs and EWS score again in 15 minutes.	Nurse
124. EWS 1 = 123	Check patient's vital signs and EWS score. If EWS score is 123, check patient's vital signs and EWS score again in 15 minutes.	Nurse
125. EWS 1 = 124	Check patient's vital signs and EWS score. If EWS score is 124, check patient's vital signs and EWS score again in 15 minutes.	Nurse
126. EWS 1 = 125	Check patient's vital signs and EWS score. If EWS score is 125, check patient's vital signs and EWS score again in 15 minutes.	Nurse
127. EWS 1 = 126	Check patient's vital signs and EWS score. If EWS score is 126, check patient's vital signs and EWS score again in 15 minutes.	Nurse
128. EWS 1 = 127	Check patient's vital signs and EWS score. If EWS score is 127, check patient's vital signs and EWS score again in 15 minutes.	Nurse
129. EWS 1 = 128	Check patient's vital signs and EWS score. If EWS score is 128, check patient's vital signs and EWS score again in 15 minutes.	Nurse
130. EWS 1 = 129	Check patient's vital signs and EWS score. If EWS score is 129, check patient's vital signs and EWS score again in 15 minutes.	Nurse
131. EWS 1 = 130	Check patient's vital signs and EWS score. If EWS score is 130, check patient's vital signs and EWS score again in 15 minutes.	Nurse
132. EWS 1 = 131	Check patient's vital signs and EWS score. If EWS score is 131, check patient's vital signs and EWS score again in 15 minutes.	Nurse
133. EWS 1 = 132	Check patient's vital signs and EWS score. If EWS score is 132, check patient's vital signs and EWS score again in 15 minutes.	Nurse
134. EWS 1 = 133	Check patient's vital signs and EWS score. If EWS score is 133, check patient's vital signs and EWS score again in 15 minutes.	Nurse
135. EWS 1 = 134	Check patient's vital signs and EWS score. If EWS score is 134, check patient's vital signs and EWS score again in 15 minutes.	Nurse
136. EWS 1 = 135	Check patient's vital signs and EWS score. If EWS score is 135, check patient's vital signs and EWS score again in 15 minutes.	Nurse
137. EWS 1 = 136	Check patient's vital signs and EWS score. If EWS score is 136, check patient's vital signs and EWS score again in 15 minutes.	Nurse
138. EWS 1 = 137	Check patient's vital signs and EWS score. If EWS score is 137, check patient's vital signs and EWS score again in 15 minutes.	Nurse
139. EWS 1 = 138	Check patient's vital signs and EWS score. If EWS score is 138, check patient's vital signs and EWS score again in 15 minutes.	Nurse
140. EWS 1 = 139	Check patient's vital signs and EWS score. If EWS score is 139, check patient's vital signs and EWS score again in 15 minutes.	Nurse
141. EWS 1 = 140	Check patient's vital signs and EWS score. If EWS score is	

- Incident report training for all new staff to the Trust. This training ensures that all staff in the Trust knows how to report a patient safety incident and they also understand the importance of incident reporting.
- Direct feedback to all staff on the outcome of the incidents they have reported to demonstrate the changes in practice that have been made as a result of the incident.
- Sharing of learning from reported incidents through safety alerts, lessons learned episodes of care, individual patient stories and Safety Matters.

The number and percentage of such patient safety incidents that resulted in severe harm or death

Indicator	Measure Description			
Patient Safety Incidents	The number and percentage of such patient safety incidents that resulted in severe harm or death.			
Period	Trust Performance	National Average	Highest Result	Lowest Result
April 2014 – September 2014	3	15	51	0
October 2014 – March 2015	6	23	128	2
April 2015 – September 2015	6	20	89	2
October 2015 – March 2016	18	19	94	0
April 2016 – September 2016	18	18	111	0
April 2017 – September 2017	19	19	121	0
October 2017- March 2018	18	19	99	0

The Trust considers that this data is as described for the following reasons:

- The Trust has a positive reporting culture and is a high reporter of incidents. Nationally this is seen as positive. The Trust has undertaken a number of actions as described below to reduce the harm caused to patients and learn from our incidents.

The Trust has taken the following actions to improve the reporting of patient safety incidents and therefore the quality of its service:

- Undertaking a comprehensive investigation for all incidents, which result in severe harm or death. An Executive led review meeting is held following the incident investigation to ensure that lessons are learned and improvement plans are implemented to prevent a reoccurrence
- Reporting all incidents which result in severe harm or death to the Board of Directors to ensure openness within the Trust
- Implementation of the Trust's Being Open (including Duty of candour) policy which ensures that, if an incident occurs which results in severe harm or death, the patient and / or their family are informed and the lessons learned and improvement plans from the comprehensive investigation are shared with them.

Learning From Deaths

During 2018/19 938 of Mid Cheshire Hospitals NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 213 in the first quarter
- 225 in the second quarter
- 223 in the third quarter
- 277 in the fourth quarter.

There have been no deaths during the previous reporting period which were not included in the Quality Account for the previous reporting period.

By 31/03/2019, 832 case record reviews (using the Trust Mortality Review Tool) and 94 investigations (using the Structured Judgement Review process) have been carried out in relation to 938 of the deaths included above.

In 94 cases a death was subjected to both a case record review and an investigation using the Structured Judgement Review process. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 223 in the first quarter
- 214 in the second quarter
- 240 in the third quarter
- 249 in the fourth quarter.

0 representing 0% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient using either the Trust Mortality Review Tool or the Structured Judgement Review Process. In relation to each quarter, this consisted of:

- 0 representing 0% for the first quarter
- 0 representing 0% for the second quarter
- 0 representing 0% for the third quarter
- 0 representing 0% for the fourth quarter.

These numbers have been estimated using the Trust Mortality Review Tool or the Structured Judgement Review process.

Six avoidable deaths in 2018/19 were identified and reported following comprehensive incident investigations. Action plans were developed following each of the Executive Led incident reviews.

The SJR process was developed by the Royal College of Physicians (RCP). Structured judgement review blends traditional, clinical-judgement based review methods with a standard format. The approach requires reviewers to make safety and quality judgements over phases of care and to make explicit written comments about care for

each phase. The result is a relatively short, but rich, set of information about each case in a form that can also be aggregated to produce knowledge about clinical services and systems of care.

The objective of the review method is to look for strengths and weaknesses in the caring process, to provide information about what can be learnt about the hospital systems where care goes well and to identify points where they may be gaps, problems or difficulty in the care process.

The SJR produces two types of data:

1. A score from 1 to 5 identifies very poor - excellent care respectively in a number of phases of care
2. Qualitative data in the form of explicit statements about care using free text

The phases of care which are reviewed are:

- Admission and initial care - first 24 hours
- Ongoing care
- Care during a procedure
- Perioperative/procedure care
- End of life care
- Assessment of overall care

The overall quality of care is assessed during the SJR process. Care scores are recorded after the judgement comments have been written. One score is given to each phase of care. The reviewers then judge their overall decision on the overall quality of care. The SJR process commenced at the Trust in April 2018.

The Trust's Learning from Deaths Policy has built upon the Mortality Case Note Review Standard Operating Procedure, which outlined the existing embedded process for reviewing all in-hospital deaths.

All in-patient deaths are reviewed on a weekly basis by a team of Consultants, led by the Lead Consultant for Patient Safety. A short mortality case note review form is completed and, if a death is identified where clinical care could potentially have been more appropriate, the case is referred for a Structured Judgement Review (SJR).

SJR's are undertaken by a cohort of senior medical and nursing staff trained in the SJR Process.

In addition to the escalations from the weekly reviews, in line with national guidance, the Hospital Mortality Reduction Group (HMRG) has agreed a number of other clinical conditions / criteria that result in an in-patient death undergoing a SJR. These are reviewed on an annual basis and currently include:

- Acute Cerebrovascular Accident (at the weekend)

- Pneumonia (at the weekend)
- Intestinal obstruction without hernia
- Alcohol related liver disease
- Infectious diseases (CQC Insight metric)
- Relevant elective deaths
- All deaths where families, carers or staff raise concerns
- Concerns raised by the Coroner
- Concerns raised at the Patient Safety Summit.

Organisational learning from this process must be dynamic, with immediate actions and improvements undertaken in a timely manner to prevent reoccurrence. Short - medium term improvements, identified through organisational learning, are introduced through the Trust's governance structure. In the longer term organisational learning will take place through the triangulation and theming of data and information. The Trust's incident reporting, investigation and organisational learning processes describe our approach to organisational learning.

The learning from these reviews is collated and shared in a quarterly newsletter, 'Learning from our Mortality Reviews'.

The Trust has a well-established HMRG led by the Medical Director. This group leads the Trust's mortality reduction programme and, on a quarterly basis, meets with the Divisional Mortality Reduction Groups to ensure a unified approach to mortality reduction across the Trust and to share learning opportunities.

The Trust's mortality reduction programme is succinctly described in a driver diagram that was most recently updated in March 2019. The five primary drivers to reducing the Trust's mortality rates are:

- **Reliable Clinical Care**
- **Effective Clinical Care**
- **Medical Documentation, Clinical Coding and Data Quality**
- **End of life Care**
- **Leadership**

Summary of Learning

Below are a number of the positive comments made during the reviews.

- Excellent care provided
- Multi-specialty working
- Excellent prescribing of anticipatory medications
- Excellent communication with the family
- Risks of surgery well documented
- Excellent set of clinical records
- Good documentation and use of the fractured neck of femur pathway
- Good evidence of both nursing and medical reviews
- Medical review in Emergency Department well completed with a thorough history taken, medication and allergies recorded. Chest and abdominal examination recorded. VTE risk assessment completed
- Good documentation of discussions with relatives

- regarding end of life care and ceilings of care
- Good assessment of patient's capacity and requirement for a DoLs.

The SJRs undertaken have identified the following learning themes:

- Poor completion of pathways including acute kidney injury, sepsis management and pneumonia
- Clinical observations not recorded in line with Trust guidance
- Failure to identify, and respond to, the deteriorating patient
- Delay in medical review
- Poor completion of fluid balance monitoring.

Actions and Assessment of Impact

Following a large scale training programme across the organisation, the National Early Warning Score 2 (NEWS2) was launched in the Emergency Department and in-patient ward areas on the 5 November 2018. NEWS2 has been launched in Theatres, Treatment Centre, Ambulatory Care Unit, Planned Interventions Unit, Outpatients Department and Elmhurst as part of the roll out programme in April 2019.

The revised vital signs chart includes the NEWS2 chart, neurological observation chart, sepsis and AKI guidance and SBAR information to ensure accurate handover in the clinical settings. This is currently being audited to assess impact.

A care pathway group chaired by the Executive team monitors the compliance with care pathways.

Clinical leads have been identified for each of the pathways and monitoring is undertaken by the Care Pathway Group, reporting to the Quality and Safety Improvement Strategy Group with escalation to the Executive Quality Governance Group and assurances to the Quality Governance Committee.

Improvements in compliance of the use of care pathways are being demonstrated through the AQ reporting process.

Review of Quality Performance

Priorities for 2018/19

The Trust wants to be sure that everyone in the local community who may use its services has absolute confidence that the care and treatment it provides is complete patient centred. The Trust is committed to the delivery of its Quality and Safety Improvement Strategy 2018/19.

In 2018/19, the Trust aims to deliver the CQC domains as part of its Quality and Safety Improvement Strategy. These are key drivers in the elements of quality care.

The Trust held a programme of both staff and public engagement sessions to engage with the local community. The engagement sessions gave the opportunity to share achievements and obtain ideas of what the Trust should focus on in the 2018/19 strategy. The common themes that emerged from the sessions were:

Safe	Effective	Caring	Responsive
Reducing Serious Harm	Recognising and Responding to Deteriorating Patients	End of Life Care	Reducing Inpatient Moves
Reducing Hospital Acquired Infections			
Reducing Pressure Ulcers	Recognising and Treating Sepsis		
Reducing Inpatient Falls	Mortality		

Reducing Serious Harm

Our aim is to reduce serious harm (major and catastrophic) caused to patients by 20% by the end of March 2019.

Why is it important?

Robust reporting, investigating and learning from our incidents will reduce the chance of the same incident reoccurring and causing serious harm to another patient.

The Trust has reported 18 serious incidents in the period April 2018 to March 2019 against a target of 12. The incidents reported in the period include:

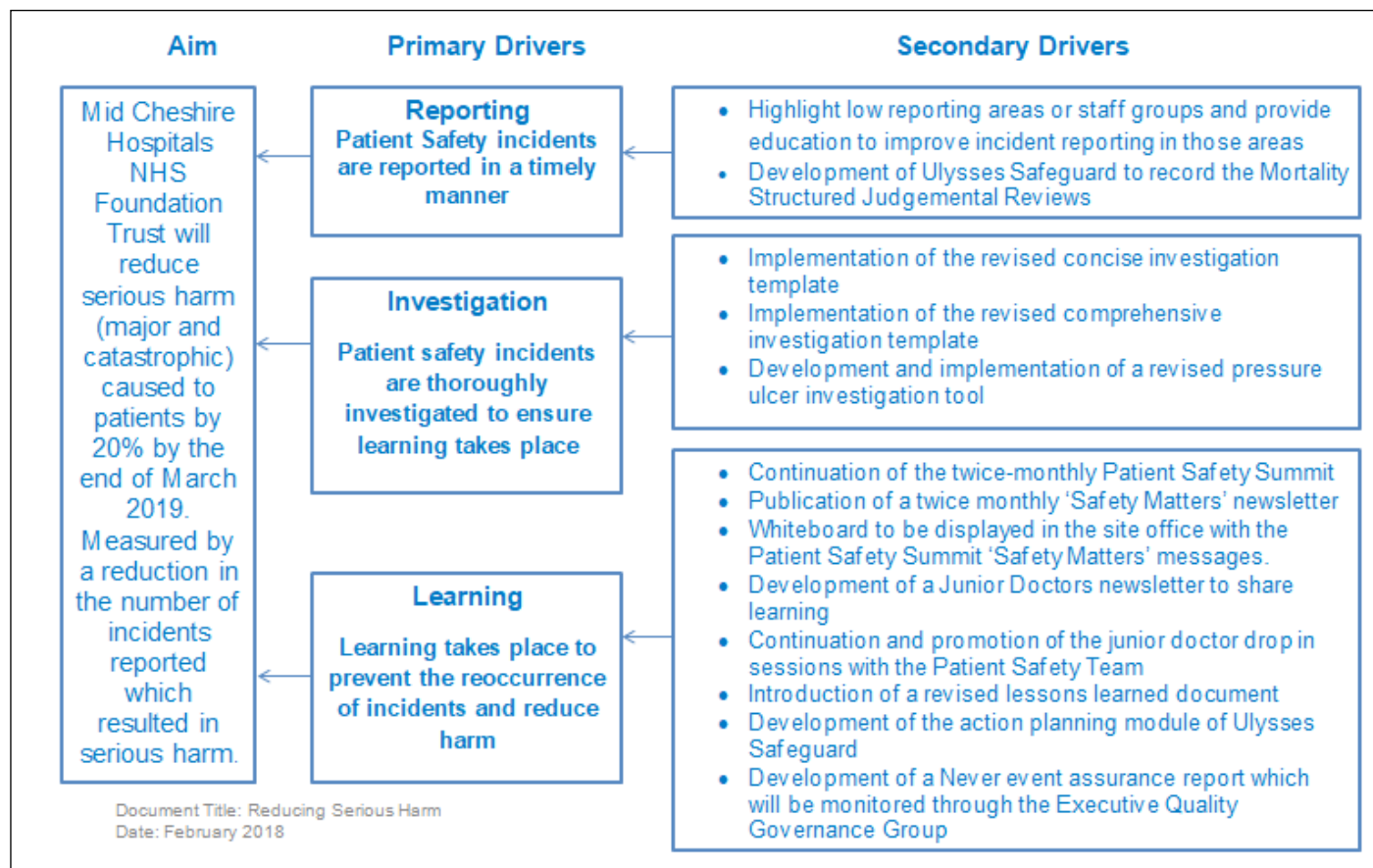
- Delay in commencing a patient on Non-Invasive Ventilation x 1
- Delay in referring a patient to the Critical Care Outreach Service x 1
- Delay in access to hospital care x 1
- Failure to provide appropriate nutrition and hydration for a patient x 1
- Patient fall resulting in fractured neck of femur x 10
- Failure to provide appropriate treatment to a stroke patient x 1
- Cardiac arrest x 1
- Neonatal death x 1
- Never Event retention of guidewire x 1

There has been a 38.5% increase in the number of incidents reported which resulted in serious harm in 2018/19 compared to the previous financial year.

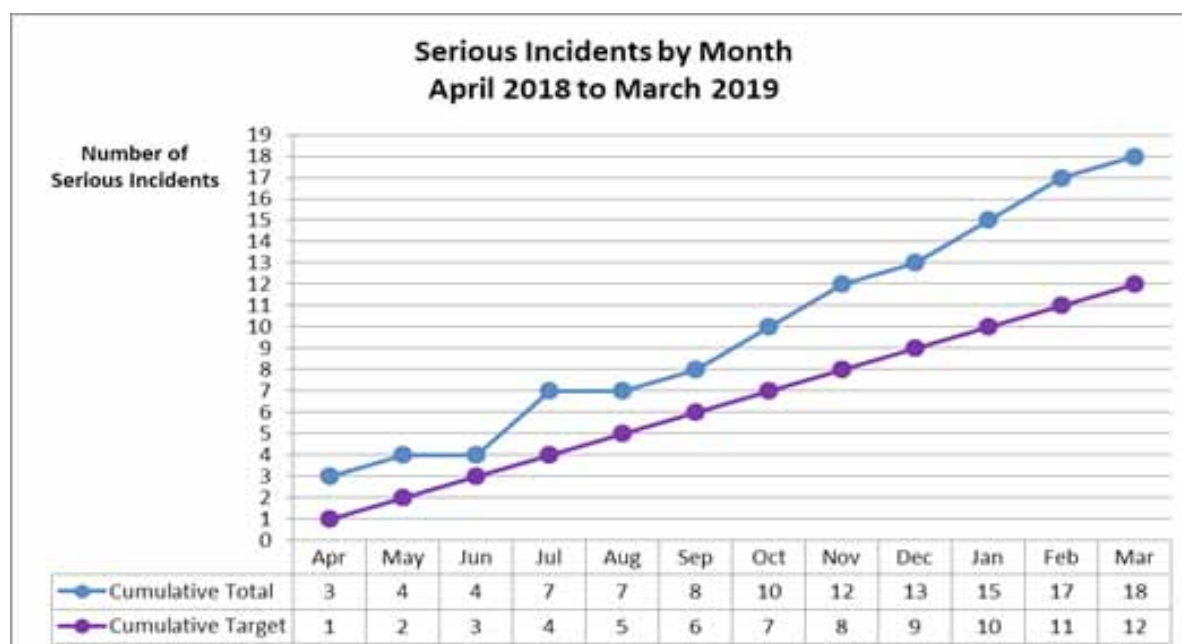
A comprehensive investigation was undertaken for all the incidents in line with the Trust Incident Reporting, Investigation, Learning and Improvement Policy and national guidance. A review meeting was held following each investigation and an improvement plan developed.

The concise and comprehensive investigation templates have been revised in line with national guidance to further develop the quality of the incident investigations conducted. Further specific tools have been developed for the investigation of hospital acquired pressure ulcers and venous thromboembolism. A revised lesson learned template has been developed to share learning from the investigations.

Reduction in serious harm driver diagram



Serious incidents by month April 2018 to March 2019



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	Shift
Cumulative 2018/19	3	4	4	7	7	8	10	12	13	15	17	18	18	+38%
Cumulative 2017/18	0	3	4	7	8	9	10	10	11	11	12	13	13	

The lessons learned which are shared following each comprehensive investigation highlight the root cause of the incident, good practice which was identified, areas for improvement and the learning points that the review panel wish to share.

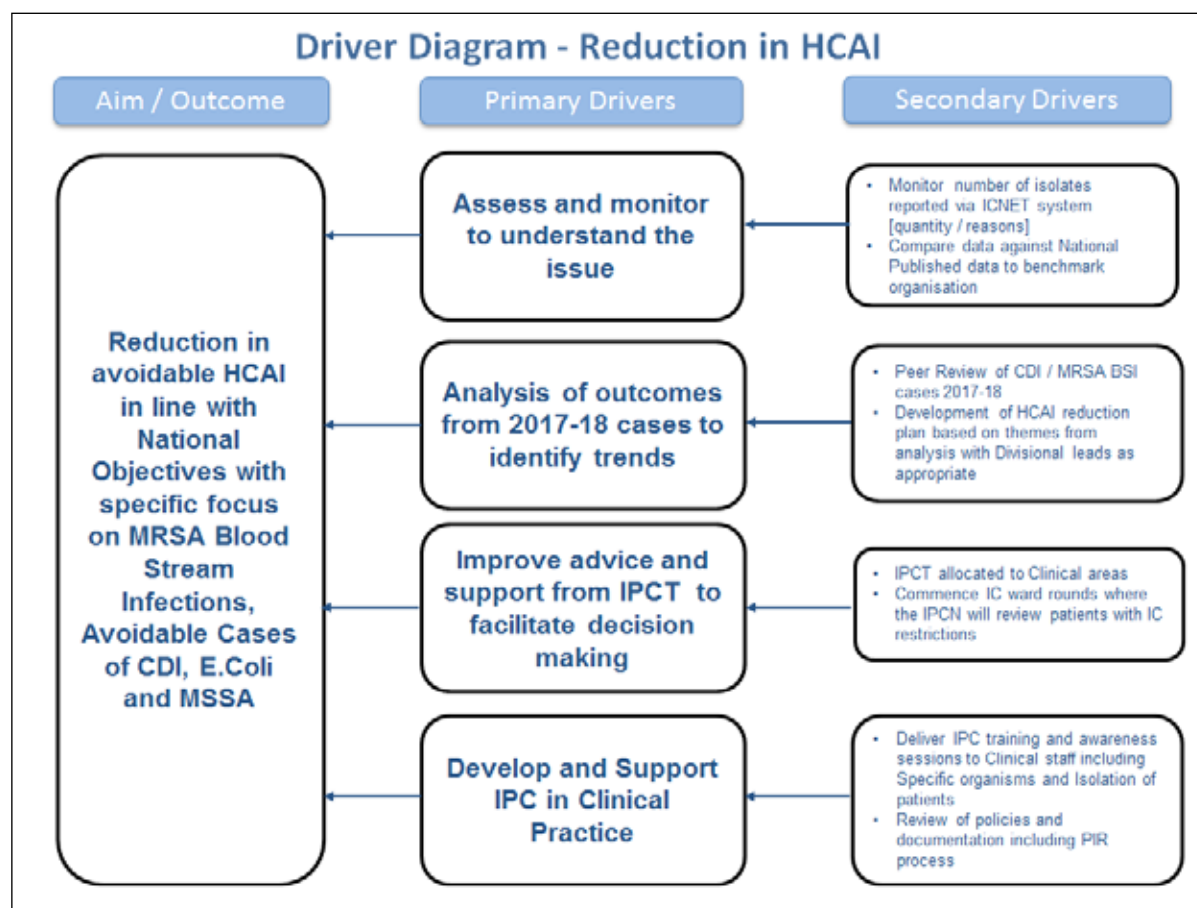
Learning from all investigations is also shared by the divisions at the two-weekly Patient Safety Summit. Patient Safety Summit is a two weekly meeting led by clinical teams. The Summit provides an opportunity for cross divisional / CCICP learning and sharing of immediate learning following incidents. All moderate and above patient safety incidents are discussed at the Summit and clinical teams are encouraged to attend to promote learning and improvement. The Patient Safety Summit is chaired by the Medical Director.

Following Patient Safety Summit the Safety Matters Newsletter is shared across the organisation to further share the learning from incident investigation, complaint investigations and mortality reviews. Both paper and hard copies of the newsletter are distributed.

Reducing Hospital Acquired Infections

Reducing the risk of Health Care Associated Infection remains a priority as part of delivering safe quality care to our health population. This year the trust has continued to focus on reducing Clostridium difficile infections (CDI), preventing the occurrence of MRSA blood stream infections and participating in a health economy approach to reducing gram negative bacteraemia in particular ECOLI.

Reduction in hospital acquired infections driver diagram



Clostridium difficile infection (CDI)

Despite a year on year reduction both locally and nationally, Clostridium difficile infection (CDI) is an unpleasant and potentially severe or fatal illness especially for our elderly and vulnerable population. It is acknowledged that this reduction has slowed over recent years and this may be due to factors outside of the organisations control for example antibiotics prescribed due to private medical treatment.

Learning from cases is important to establish any “Lapse in Care” which either directly or indirectly contributed to a case, identifying any measures which can be implemented to prevent CDI in other patients.

Progress

NHS England sets all trusts an annual objective to support a year on year reduction in CDI the Trust have been set an objective of no more than 23 cases, this year the trust reported 24 cases. From the completed reviews only 2 of the cases were identified as avoidable with a contributing factor relating antimicrobial prescribing. 22 cases were identified as unavoidable.

As part of a commitment to learning from incidents of infection each case of CDI is reviewed at a Post Infection Review, this is a multidisciplinary team approach to identify any factors which could have prevented the case of CDI occurring or used as a learning exercise to reduce the risk to other patient ensuring that robust systems and processes are in place to ensure rapid identification of any case.

What have we learnt?

All the patients reviewed had increased risk factors for the development of CDI including their age and other comorbidities this is in line with the regional and national picture. Many of the patient's clinical pathways require multiple antibiotics which increases the risk of CDI. Two of the cases reviewed antibiotics could have been selected differently and therefore this contributed to the development of CDI.

A new improved stool chart has been launched to support the staff in earlier identification of when the patient's bowel habit changes, this triggers a prompt to send samples sooner, this has also been supported by the launch of the new CDI policy.

MRSA BSI

Progress

The Trust continues to support the national objective of a zero tolerance approach to MRSA BSI. This year 4 cases have been identified from blood cultures taken within the organisation. A PIR was undertaken on all the cases with representation from clinical areas and the commissioners. As part of this process some clinical learning was identified which has resulted in a robust plan to implement system wide change.

What have we learnt?

To provide more detailed information on where the patient was colonised with MRSA there has been a change to

screening sites required the IPCT are supporting the clinical areas in implementing this change.

A 90 day improvement programme to review ANTT within the organisation against the latest national standards. A new MRSA policy and Care plan reflective of local requirements and changes to national guidance.

ECOLI reduction

NHS England have set a target of a 50% reduction by 2020 (this is a CCG target). To ensure this is a collaborative across the health economy the Trust is a key stakeholder in a new HCAI reduction group. This group includes CCG's across South and Vale Royal and East Cheshire, representatives from Cheshire East council, East Cheshire NHS Trust, CWP and Midlands Partnership Trust.

Progress

Following an analysis of the data collected by the Trust the indication, is in line with the national profile and that although there are no clear themes to focus on individually adopting a multi-faceted approach will improve the outcomes for our patient population including the ongoing work on antimicrobial prescribing across the acute and community settings and improving the message on hydration for patient with multiple health needs not only during periods of warm weather but throughout the year.

Although there is no objective for acute organisations the trust has seen a reduction of acute attributable cases (although many of these cases are unavoidable due to clinical picture of the patient) with 27 cases reported in 2017/18 and 25 cases in 2018/1. In the community the number of cases reported has also seen a reduction with 180 cases in 2017/18 compared to 148 cases 2018/19.

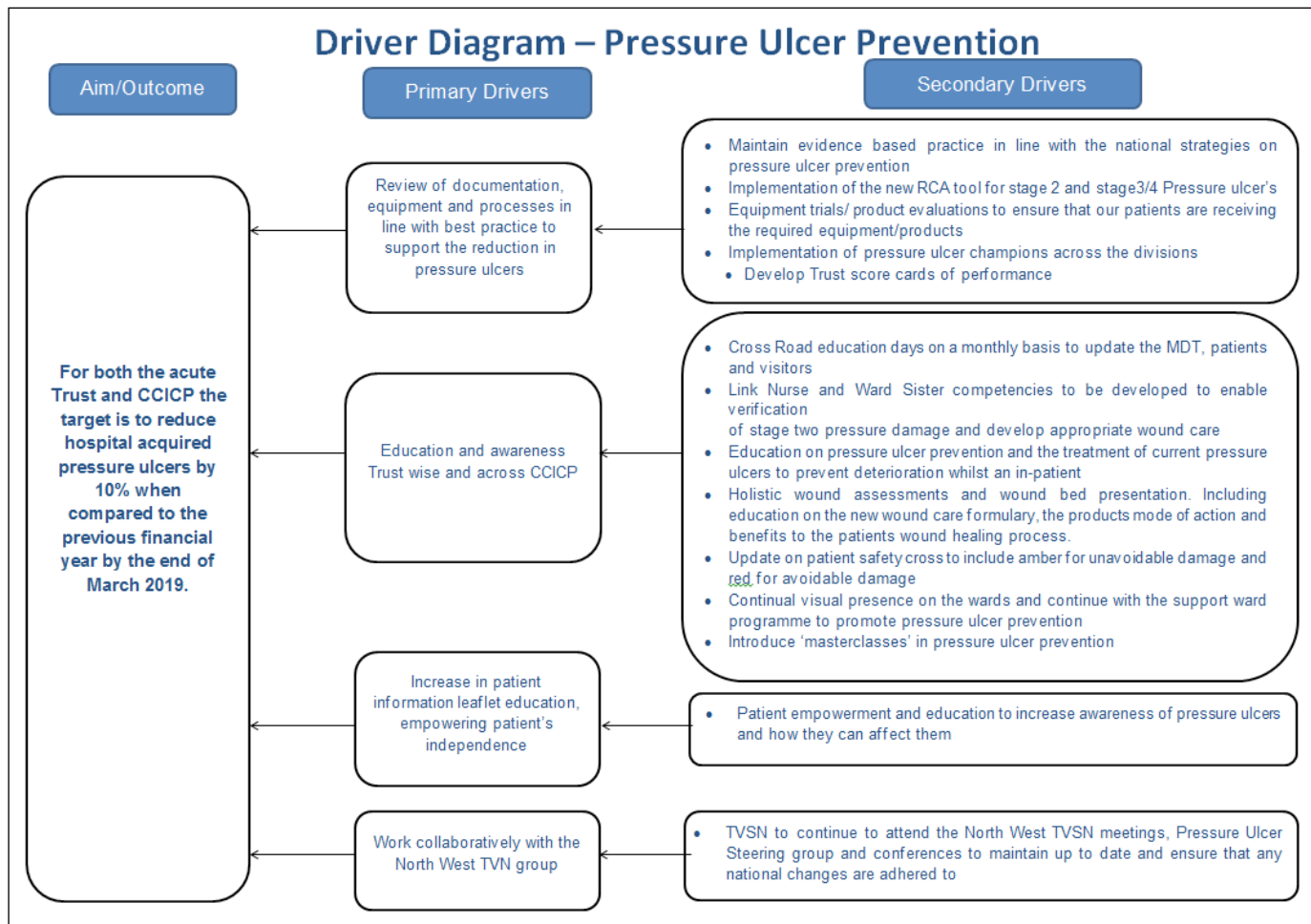
What are we doing to reduce Health Care Associated infections (HCAI)?

- IPCT supporting the clinical areas in managing patients with infections including but not limited to CDI, MRSA BSI, Gram negative BSI this includes correct isolation, hand washing, the use of PPE and accurate documentation. Multi-disciplinary Post infection reviews as appropriate.
- A focus on antimicrobial stewardship supported by Consultant Microbiologist antimicrobial ward rounds and clinical advice.
- A review of documentation including care plans, stool charts to ensure they provide the relevant information for all staff.
- Continual review of data to extract key themes and ensure learning is implemented as appropriate.
- A commitment to ensure that all the new policies are user friendly and provide easily accessible information.
- Working a cross the Health Economy to improve patients hydration in their own home especially patients with UTI's
- Rolling out a Urinary Catheter Care Passport to ensure consistency in care for patients in any health care environment.

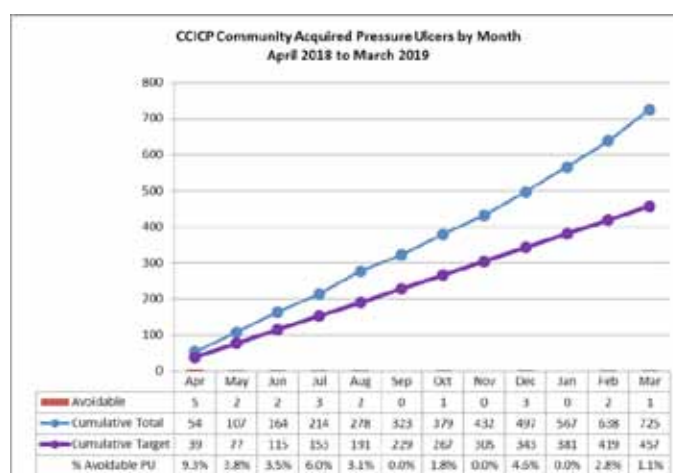
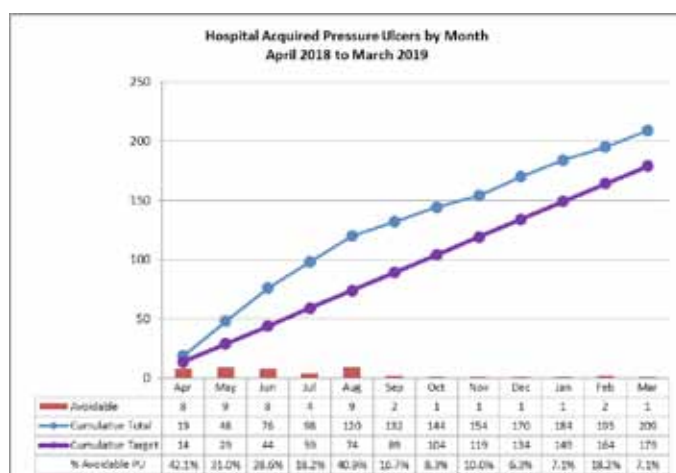
Reducing Pressure Ulcers

Following a review of the strategy in March 2018, the Trust's aim was to reduce pressure ulcers in both the acute Trust and CCICP. The target was to reduce hospital acquired pressure ulcers by 10% when compared to the previous financial year by the end of March 2019.

Pressure Ulcer Prevention driver diagram



Acquired pressure ulcers by month April 2018 to March 2019



Financial Year	Hospital acquired pressure ulcers (MCHFT)	Hospital acquired avoidable pressure ulcers (MCHFT)	Developed on caseload pressure ulcers (CCICP)	Developed on caseload avoidable pressure ulcers (CCICP)
2017/18	187	37	510	29
2018/19	209	47	725	21

Unfortunately the Trust did not achieve its aim to reduce hospital acquired avoidable pressure ulcers by 10% when compared to the previous financial year. In response to the number of reported pressure ulcers the Trust continues to invest to reduce the number of hospital acquired avoidable pressure ulcers.

Within the Trust the investment is delivered by:

- The Tissue Viability Specialist Nurse reviews all reported hospital acquired pressure ulcers and Deep Tissue Injuries to ensure all appropriate interventions are in place and to determine the category of the pressure ulcer. In addition, a ward based investigation is undertaken for all hospital acquired category two and unstageable pressure damage, so that staff can understand what led to the development of the pressure ulcer and implement corrective action to eliminate gaps in care. Outcomes of the investigation are undertaken by the ward manager and matron for the area to ensure senior support and fed into the Pressure Ulcer Panel Meeting if confirmed avoidable damage
- The Clinical Quality and Outcomes Matron maintains senior leadership within the Trust to focus on the elimination of avoidable pressure ulcers
- The Trust's skin care group continues to meet monthly and is chaired by the Clinical Quality and Outcomes Matron. The group has a multidisciplinary, cross divisional review. The agenda has been updated to include updates from both MCHFT and CCICP on pressure ulcer prevention strategies and initiatives
- Staff education remains a priority within the Trust and CCICP to eliminate avoidable pressure ulcers. Tissue Viability Link Nurse Study days are held quarterly for MCHFT and CCICP staff. The number of link nurses within each ward/base remains that of a 'link team' which includes support from both Registered Nurses and Health Care Assistants
- Photographing of all pressure ulcers to ensure accurate documentation within the Trust is becoming embedded into everyday clinical practice. This supports the recognition of any deterioration or



improvement in reported pressure ulcers, as well as accurate categorisation of pressure ulcers

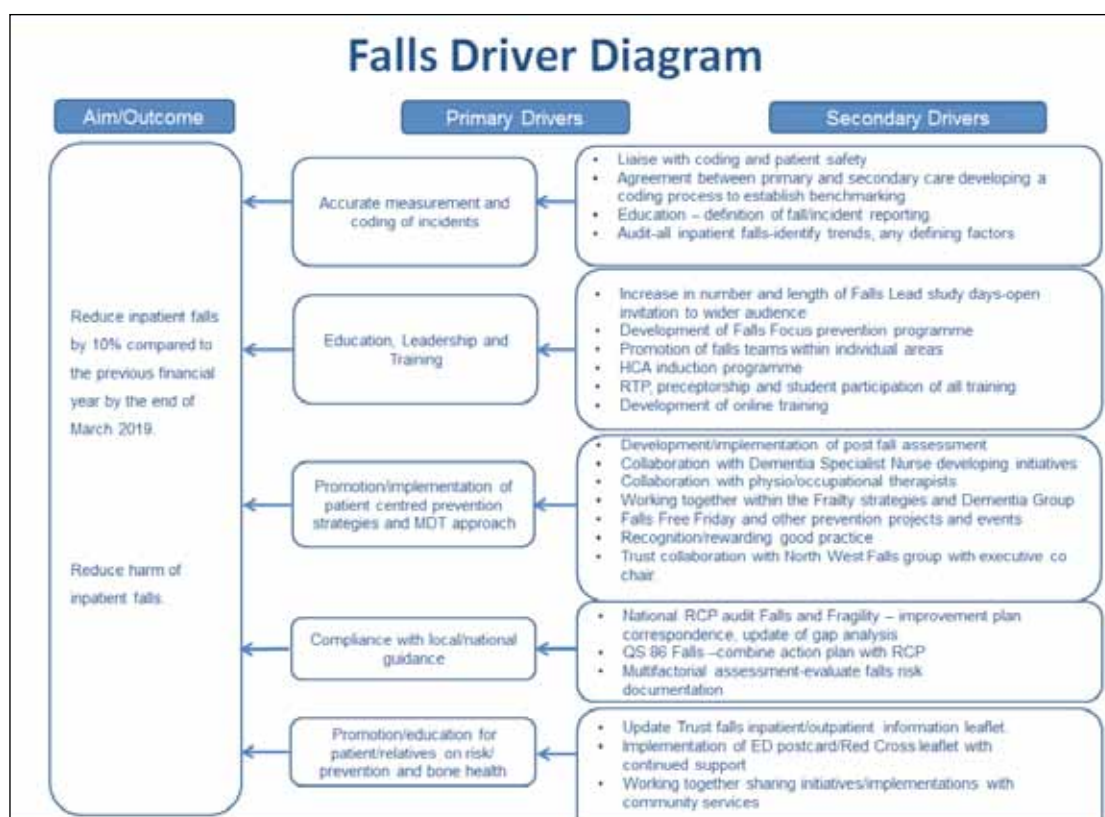
- A number of pressure relieving equipment trials are being undertaken within the Trust to support the patient's care journey. This includes the trials of a Heel off-loading device, ED trolley toppers and friction prevention garments, which are currently in process
- The Trust is in the process of entering the procurement process in relation to the Hybrid mattress evaluation that has concluded
- The Trust has implemented the use of KerraPro silicone sheet to redistribute the pressure to patients at risk areas, such as Sacrum, elbows, heels, etc. This is embedded within everyday practice and the product is widely used within the Trust
- Tissue Viability Specialist representation from MCHFT and CCICP attend the quarterly Tissue Viability North West region meetings. This is a forum that meets and discusses best practice within the holistic patient care delivery and pressure ulcer prevention, as well as being up to date with both local and national initiatives
- The Tissue Viability Specialist Nurses attend the

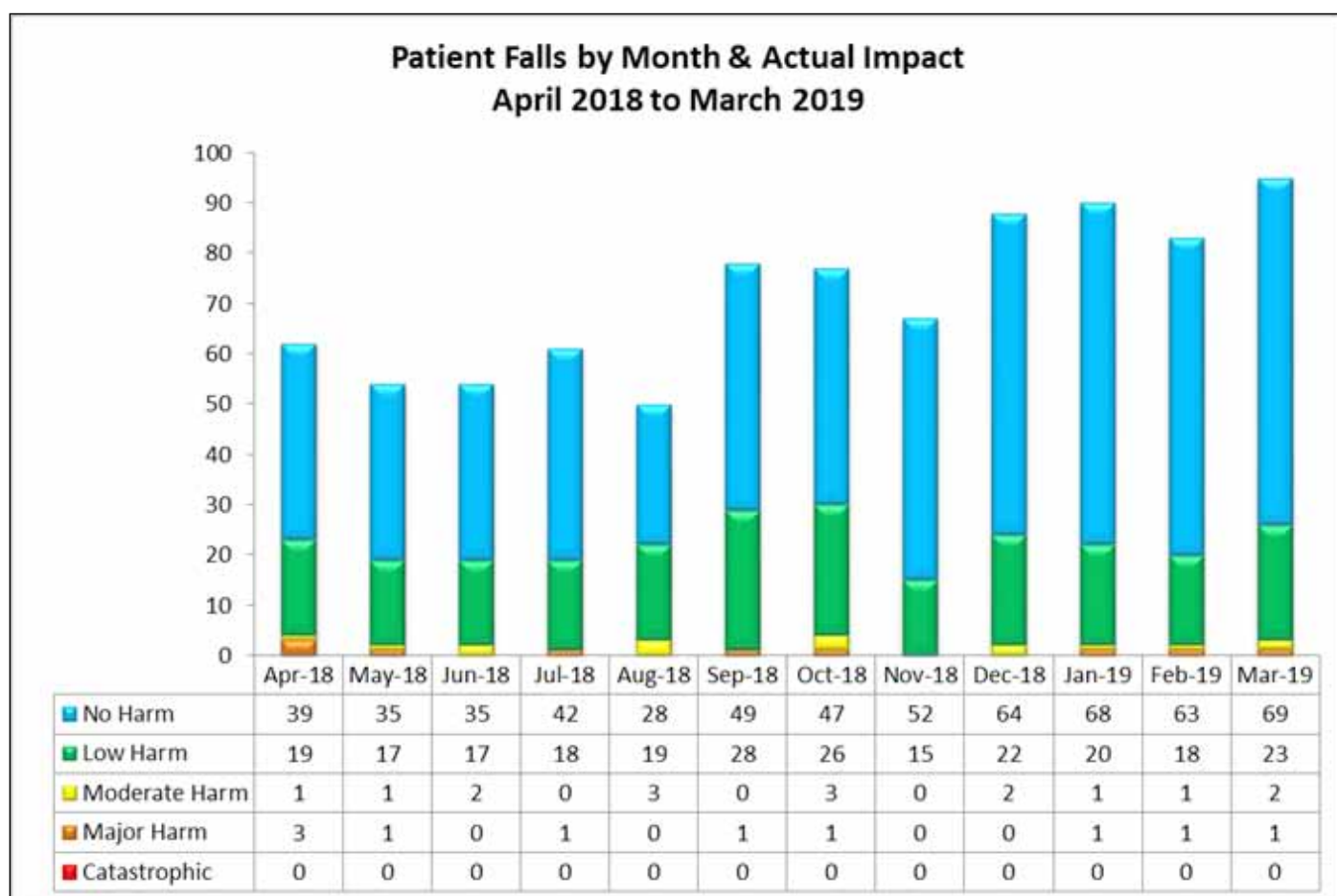
quarterly North West Pressure Ulcer Steering Group meetings. This is a forum that meets and discusses best practice within the holistic patient care delivery and pressure ulcer prevention, as well as being up to date with both local and national initiatives. The group is currently developing regional patient information leaflets and regional Policy in relation to Pressure Ulcer Prevention and Treatment in line with the National Health Service Improvement Pressure Ulcer changes

- Ward staff competency workbooks for Pressure Ulcer Prevention and categorisation has been reviewed and updated. This booklet is in the process of being added to an e-learning training package for health care assistance and registered nurses within the Trust
- The Tissue Viability Specialist Nurse continues to deliver the teaching education programme around Pressure ulcer prevention and delivers training to the Health Care Assistant induction students, Quality Matters sessions, preceptor students, pre-preceptor students, student nurses, pre- registration students, as well as adhoc ward based training as identified
- The Trust documentation has been reviewed by the Tissue Viability Specialist Nurse and has been updated in-line with the National NHS Improvement plan
- React 2 Red has been re-launched within the Surgery and Cancer division and is led by a division Matron
- The Tissue Viability Specialist Nurse is working within a Critical Care work stream with National Health Service Improvement to devise national guidance in relation to pressure ulcer prevention and treatment within the specific area
- The Trust has launched monthly multidisciplinary, cross divisional Pressure Ulcer Panel meetings to discuss all avoidable category 2 and unstageable pressure damage and establish lessons learnt and develop action plans as required. This meeting also reviews all category 3 or 4 investigations tools to determine avoidability
- The Tissue Viability Specialist Nurse has reviewed the moisture associated skin damage products that the Trust had in place in relation to prevention and treatment and has made changes to the product selection following this review
- The Tissue Viability Specialist Nurse has reviewed both the care rounds and repositioning documentation and changes have been made to make the documents more user friendly and capturing the information that is required. These have been rolled out to all wards
- The Tissue Viability Specialist Nurse won an award at the National Wounds UK conference for the 'most innovative' abstract submitted for the work that has been done within the Trust in relation to the reduction of moisture associated skin damage.

Reducing Inpatient Falls

The Trust's aim is to reduce inpatient falls by 10% compared to the previous financial year by the end of March 2019.





Incident Type	2015/16	2016/17	2017/18	2018/19
Patient Falls	833	767	729	859

There has been a 18% increase in the number of reported inpatient falls in 2018/19 compared to the previous financial year

In order to achieve a reduction in falls there has been a number of actions undertaken or in development:

- Post fall assessments are completed by the Falls Specialist Nurse providing an individual prevention plan
- Falls Focus Programme - bespoke education, training and support is delivered by the Falls Specialist Nurse in individual areas
- Falls resulting in harm result in a Concise or Comprehensive review, with a focus to learn and implement improvements
- Falls prevention days increased in order to reach a wider audience
- Development of Falls Teams in all areas which include nursing staff and health care assistants
- A Fall Prevention guide has been created in order to support staff with appropriate interventions
- Community links established regarding falls prevention and support for patients
- Traffic light system commenced in rehabilitation areas which aids in safe mobilisation whilst rehabilitating

- Display boards in individual areas which are used as communication for staff, patients and relatives
- Signage in bays and toilets for patients as a reminder on how to call for assistance
- Promotional events held in the Trust and community to raise awareness.

The falls service has developed significant improvements since May 2018. Many patients now receive a complex, detailed assessment post fall by the Falls Specialist Nurse and an individualised prevention plan including assessment for frailty is then provided for the patient with a view to reducing the risk of further falls. The Trust also encourages patients and their families to be involved in care planning whenever possible.

We continue to implement and promote the previous work for the 'One Step Ahead' collaborative which is across all ward areas. The specific elements of this collaborative are;

- Toilet/commode tagging
- Cohort higher risk patients
- Staff Placement/Changes to staff base
- Safety crosses

The Falls Specialist Nurse continues to evaluate and promote these initiatives within the ward areas with the inclusion of the Falls Teams. In addition educational sessions, workshops and promotional events are held within the Trust. Care rounds continue in all inpatient areas and trials of assessment notifications at bay entrances are taking place across the divisions highlighting at risk patients.

A Concise or Comprehensive investigation is undertaken where moderate or severe harm has occurred due to a fall. Outcomes of investigations are shared with staff at ward level and discussed at the Trust falls group. As a result of these investigations actions are taken in order to implement improvements.

All inpatients continue to be assessed for their risk of falls in hospital using the NICE guideline 161. Focus remains on individual risk factors such as falls history, lying/standing blood pressure, urinalysis and medications. Cognitive impairment is one of the largest risk factors which are supported by the Royal College of Physicians. We have established links with the Trust Dementia Nurse Specialist in order to support these patients in reducing falls risk. Part of this involves raising awareness of Delirium, treatments to consider and appropriate interventions to minimise the risk.

The Trust's Falls group continue to meet monthly and is chaired by the Clinical Quality and Outcomes Matron. The group has multidisciplinary and cross divisional representation inclusive of CCICP Falls lead.

Staff education continues to remain priority. Falls Education study days are held twice a year. This was open to the Falls Leads although invitation has recently extended to all staff members within the Trust. Falls Prevention training also forms part of the Quality Matters and Preceptorship

programmes. The number of link nurses within each ward has increased to produce a 'falls prevention team' which includes support from both registered nurses and health care assistants. Links have also been developed with the community who now have representation on the Falls Group.

There is now a much improved provision of mobility aids utilised in the ward areas and improved communication system within the physiotherapy department which facilitates prompt ordering of aids. In addition individualised areas are using a traffic light system in order to highlight the appropriate walking aid required and the support needed to mobilise.

The Trust participated in the second Royal College of Physicians National Falls audit in May 2017. Results were received in November and work is currently underway via a Gap analysis to identify areas for improvement. We have also since signed up to the new continual audit by the Royal College of Physicians which commenced in January 2019.

The Community Rehabilitation Team introduced a pilot in June 2017 providing a new seven days falls service. The therapist and paramedic offer an alternative response to emergency calls. As a partnership team, the therapist and paramedic are able to rapidly assess and respond to patients needs in their home. They can provide immediate advice, equipment and support to help prevent further falls.

There is an acknowledgement that we are not going to eliminate falls altogether, and we do have to balance the encouragement of independence with the management of risk. However, we know that there are many risk factors that can be mitigated. The Trust is working hard to reduce falls and any harm caused from falls.



Pictured left to right: the Trust's Community Fundraiser, a volunteer and the Trust's Falls Specialist Nurse take a seat on new benches that have been installed along corridors at Leighton Hospital to help reduce the risk of falls

Recognising and Responding to Deteriorating Patients

The Trust's aim is to reduce adult avoidable patient harm (Measured by reductions in cardiac arrests, severity of patient harm incidents and high risk admissions to Critical Care) by improving the recognition of and the response to the acutely deteriorating patient by 50% by the end of March 2019.

Why is it important?

Improving the recognition of, and the response to, the acutely deteriorating patient can reduce in-hospital cardiac arrests, serious harm to patients and high risk admissions to Critical Care.

Progress

The Executive Led Deteriorating Patient Steering Group was formed in November 2017. The group has cross-divisional representation, is chaired by the Medical Director and reports to the Trust Mortality Reduction Group and up through the committee structure to Board as appropriate.

The group has six work streams with a nominated lead for each:

- Acute Care Model
- Unplanned Admissions to the Critical Care Unit
- Education and Training
- Quality Improvement Projects
- Policy
- Lines

National Early Warning Score

The National Early Warning Score (NEWS 2) was launched in the Trust on the 5 November 2018. The revised vital signs chart has been developed to incorporate NEWS2 and approved by the Deteriorating Patient Steering Group. The revised vital signs chart includes the NEWS2 chart, neurological observation chart, sepsis and AKI guidance and SBAR information to ensure accurate handover in the clinical settings.

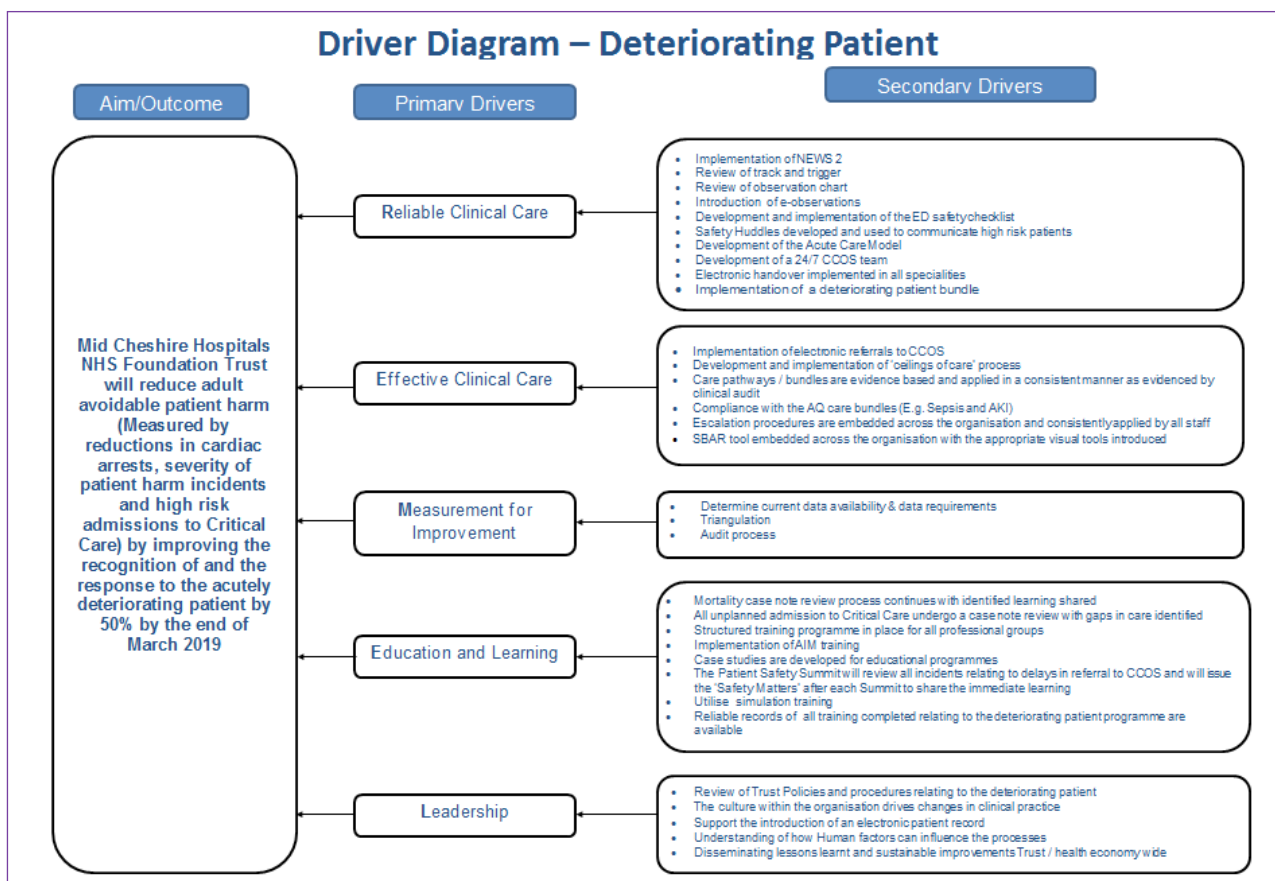
The Trust vital signs policy has been rewritten to include the use of NEWS2. The divisional teams have updated their local admission proforma's and documents to again incorporate NEWS2.

The organisation has attended the AQuA Deteriorating Patient Collaborative which commenced on the 12 July 2018. The Trust also joined the NHS England NEWS2 Champion Network.

A training implementation plan was developed and approved by the Deteriorating Patient Steering Group. The training programme is being led by the Critical Care Outreach Service Lead Nurse.

The 2018 Mid Cheshire Hospitals NHS Foundation Trust Quality Improvement Session, which was held on the 19 October focused, on the care of the deteriorating patient and the launch of NEWS 2.

Deteriorating Patients driver diagram



All unplanned admissions to Critical Care are reviewed by a clinical team using the Structured Judgement Review methodology. Learning from these reviews is taken forward through the Governance structure with lessons learned produced.

The Critical Care Matron has taken forward a piece of work relating to the insertion and management of lines. A competency passport for staff has been developed along with a patient passport. A decision tool to aid in selecting the correct line to use is being developed.

The Critical Care Outreach Service Lead Nurse has implemented an AIM training programme within the organisation.

Following the launch of NEWS2 in November 2018 data collection has been commenced to show the impact of NEWS2 on the measures within the driver diagram aim. This data is now being collated and will be presented at the Deteriorating Patient Steering Group in 2019/20.

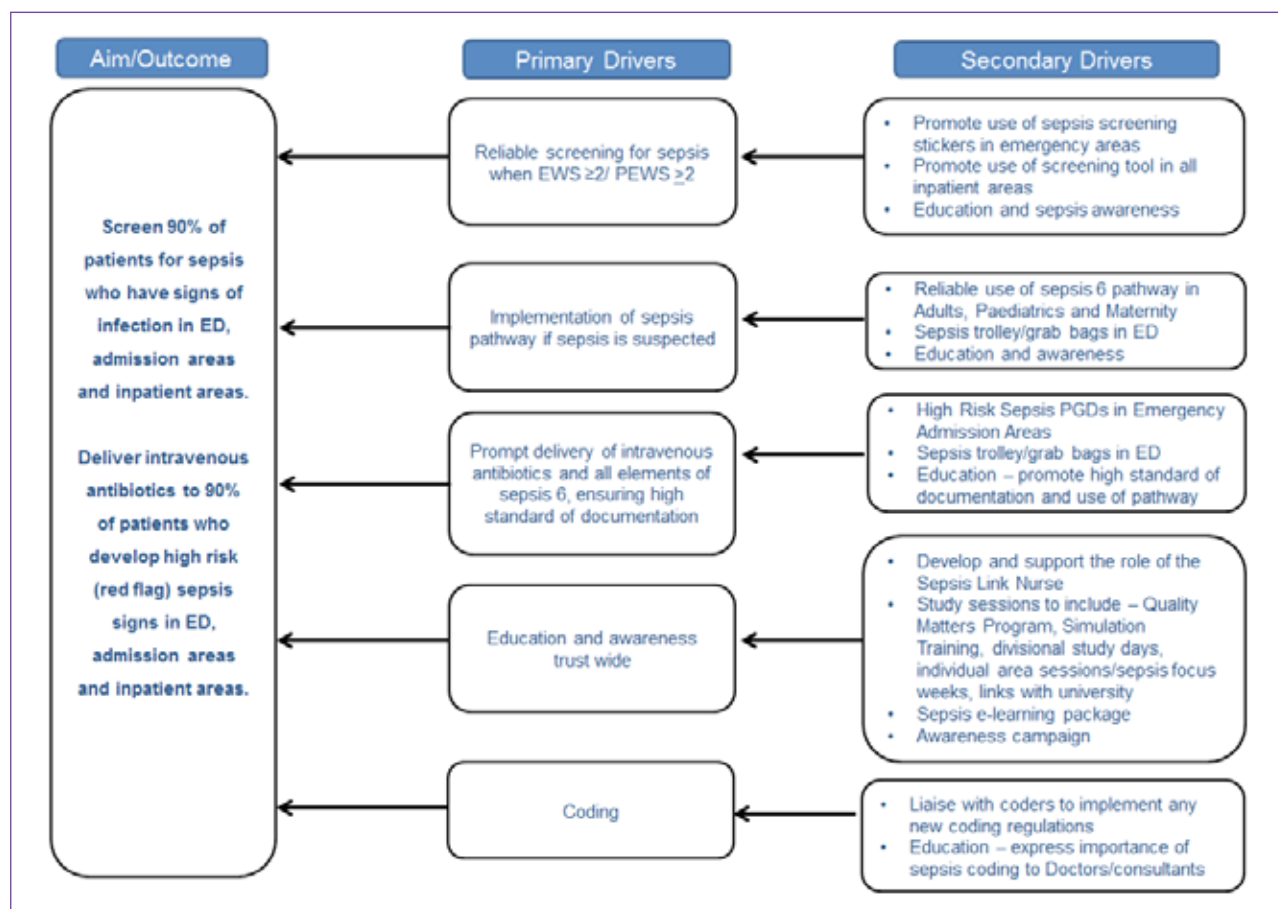


Pictured: the Trust's Critical Care Outreach Service Lead Nurse holds an information event for staff to promote the National Early Warning Score

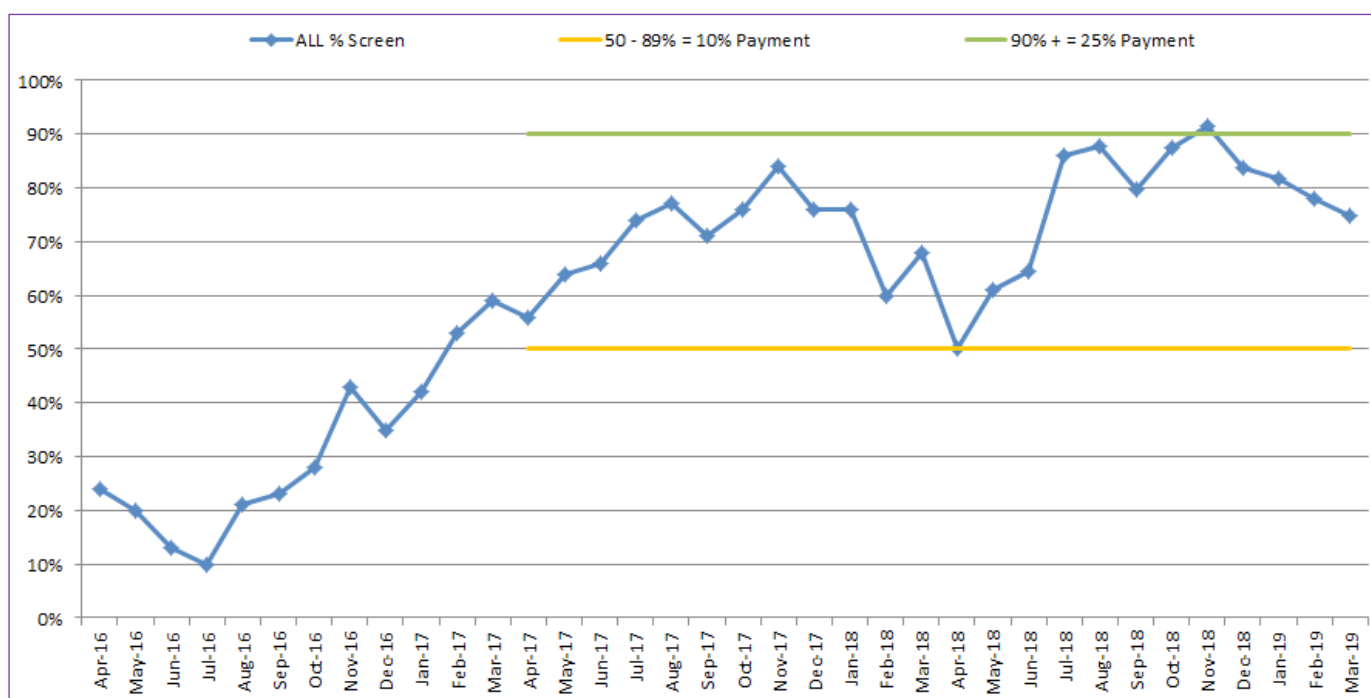
Recognising and Treating Sepsis

There are a number of strategies in place to improve performance as the sepsis team continue to work with the aim to achieve the National target of 90% for both part 2A (sepsis screening) and part 2B (antibiotic administration) of the CQUIN.

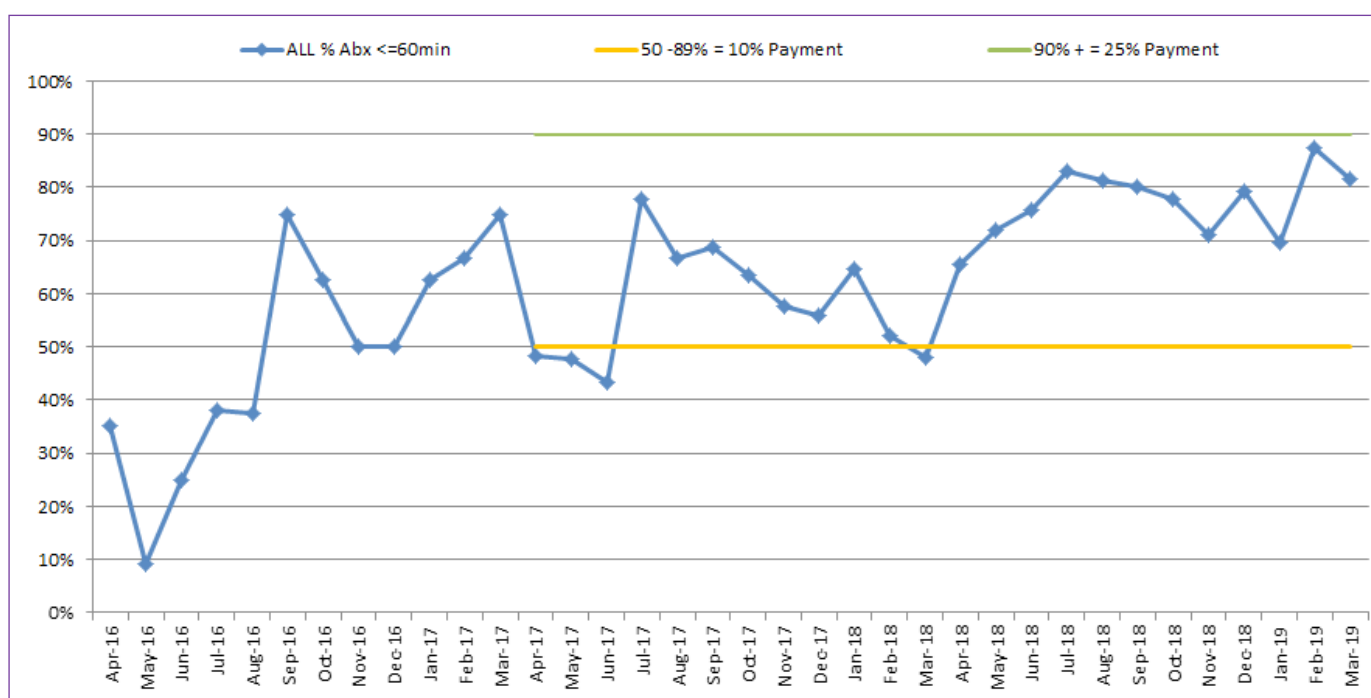
Sepsis driver diagram



The results on the following page demonstrate progress to date for screening in the Emergency Department, inpatients and combined for 2018/2019. The final quarter 4 combined screening results is 78% against a target of 90%.



The results below demonstrate progress to date for delivery of antibiotics in the Emergency Department inpatient's and combined for 2018/2019. The final quarter 4 result is 79% against a target of 90.



The table below shows the end of quarter 4 results for each year:

	Year 16/17	Year 17/18	Year 18/19
Combined Screening	51%	67%	78%
Combined antibiotic delivery	69%	57%	79%

Education and awareness of sepsis screening, recognition and treatment of sepsis with all staff remains key. Training with link nurses and wards remains on-going, staff can contact the sepsis nurse at any time to have training needs updated or refreshed. All wards have sepsis link nurses;

the link nurses are educated on sepsis and aware of their roles and responsibilities which include teaching the staff in their area. Each ward is reminded each month to submit their monthly audit of sepsis screening, this highlights area's where improvement is needed.

Education continues via many avenues including the Quality Care Delivery Programme, preceptorship training, link nurse training, spontaneous visits to wards to check screening. Sessions are also booked in with the school of nursing for the return to practice nurses. Extra training for the launch of NEWS2 has also included education on the new way to screen patients for sepsis. The sepsis E-learning package remains in progress with several members of staff completing it. In December the quality team completed a quality week which promoted sepsis, awareness and recognition along with other quality domains. This was completed at the hospital cross roads and afterwards each ward and department was visited to ensure staff were happy with all aspects of sepsis care. Staff were also given edible goodies and drinks to thank them for their continuous sepsis care and recognition.

The launch of NEWS2 was rolled out in November, as a part of this all staff were trained on the new chart and how to identify sepsis and screening for sepsis. Results since the launch have improved sepsis screening for inpatients.

The Acute Medical Unit re-launched a triage area which has significantly increased screening results; this has continually remained a huge improvement on their sepsis screening. In November both inpatients and the Emergency Department met their target of 90% screening. This is the highest yet. Presence in ED and the inpatient areas has decreased over the last few months due to the sepsis team becoming one nurse; however this does not seem to have impacted on results to date. ED has had new staff starting, after discussing with senior staff in ED a roll out of training is to commence February/March to capture all staff that need updates and all new staff that need training on sepsis recognition and treatment.

During quarter 2 the sepsis team were in communication with computer services department about having

a mandatory screening box on the triage screen in ED, unfortunately this is not possible so staff remain screening the patients using the sepsis screening stickers. The new Emergency Department cas card has now been launched. The screening sticker is incorporated into the cas card, next month's audit will prove if this is working or not and highlight if changes are needed.

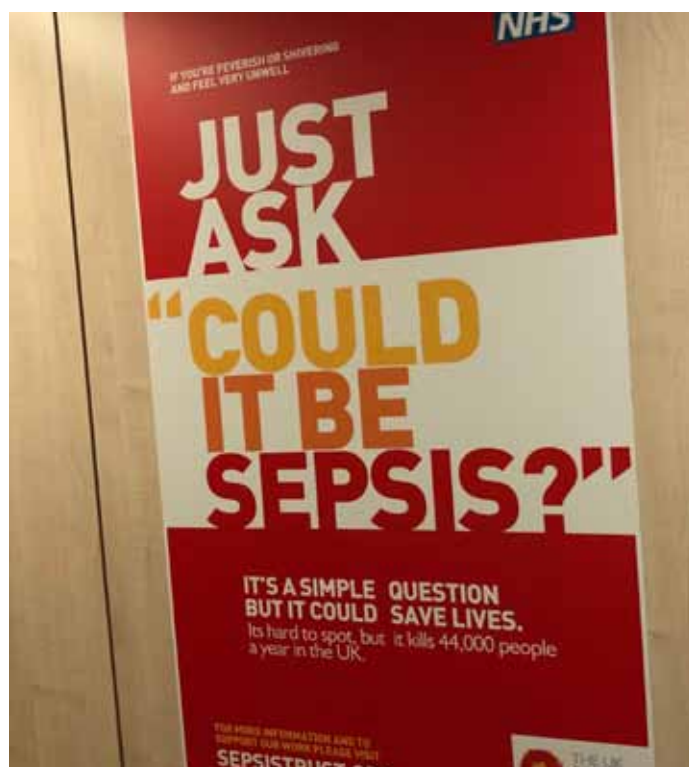
During November the Trust held its Celebration of Achievement Awards and the sepsis team won the Outstanding Contribution to Quality and Safety award for improvement of sepsis care and recognition throughout the Trust.

The patient Group Direction (PGD) is in use in the Emergency Department now and the Ambulatory Care Unit. A new training programme is to be rolled out in the Emergency Department to capture new starters and refresh those that need an update in using the PGD. The staff also have access to the sepsis trolley which has all the equipment and medication on to be able to deliver the sepsis 6 to patients with sepsis and suspected sepsis, the PGD and high risk check list are available on the trolley so staff can administer antibiotics if needed without delay. The sepsis policy is readily available to staff to read and refer to, this is on the intranet for ease of access.

The sepsis nurse continues to audit the use of the pathway. This allows effectiveness of the pathway to be determined alongside the antibiotics delivery compliance. Education on the pathway use across all divisions including maternity and paediatrics continues, promoting the importance of the sepsis six. The pathway and all documents have now been update in line with the NEWS2 launch.

The collection of the AQ data continues. This helps to identify how the Trust is achieving compared to other Trusts. This looks at patients treated for moderate – high risk sepsis. The sepsis steering group continues to meet on a monthly basis. Representation from all divisions is requested to ensure sepsis care is delivered the same through the Trust.

Central Cheshire Integrated Care Partnership (CCICP) now has a developed sepsis pathway that ensures community nursing staff appropriately assess at risk patients. CCICP have worked in partnership with the acute Trust in order to design their robust pathway. Prior to the launch of the pathway all staff were trained in the use of the early warning scores for patients at risk of developing sepsis.



Pictured: large posters were fixed to a number of the lifts at Leighton Hospital during 2018/19 to help raise awareness of sepsis

Nearly half of all deaths in England occur in hospitals. For this reason, it is a core responsibility of hospitals is to deliver high quality care for patients in their final days and appropriate support to their careers. There is only one opportunity to get it right and to then create a positive lasting memory for relatives and carers. The Trust aims to provide the best possible care for patients at the end of life, whatever their disease. We strongly believe that high quality care consists of the five priorities for end of life care being embedded in everybody's clinical practice. The use of individualised care plans helps to focus care around the needs of the patient and their family and provides documentation and evidence that we are doing so.

Progress

Education and training

- The Trust now has a new Educator Facilitator in post for End of Life Care 2 days a week. End of Life Care Education is established within junior doctor's medical education programme, the nursing preceptorship and 'Return to Practice' programmes. Bespoke support is provided for clinical areas and individual staff members. There are 8 Macmillan Education study days available throughout the year funded places are available for all healthcare professions working locally within both primary and secondary care.
- As part of the End of Life Care and Bereavement Group we now work collaboratively with the Customer Care Team to be able to monitor complaints and respond with education appropriately.

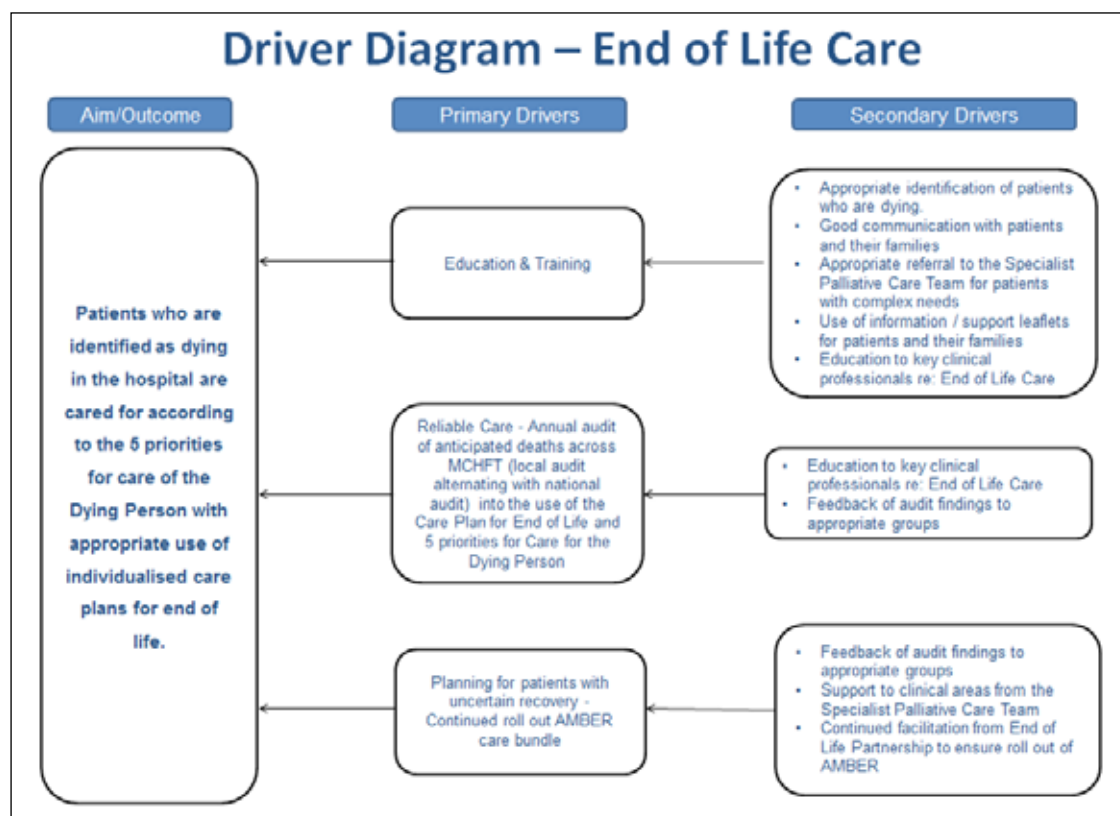
Audit

- During 2018 The national NHS Benchmarking audit 'National Audit of Care at the End of Life' has been undertaken. This consisted of an Organisational Audit / Clinical Case note Review/Hospital site Audit and Quality Bereavement Survey. The clinical case note review looked at all deaths in hospital during April 2018. The data collection for this has been completed and submitted.
- The results of this audit are produced nationally and will be available publically May 2019.
- NHS Benchmarking have announced that this audit will be repeated during 2019.

Planning for patients with uncertain recovery

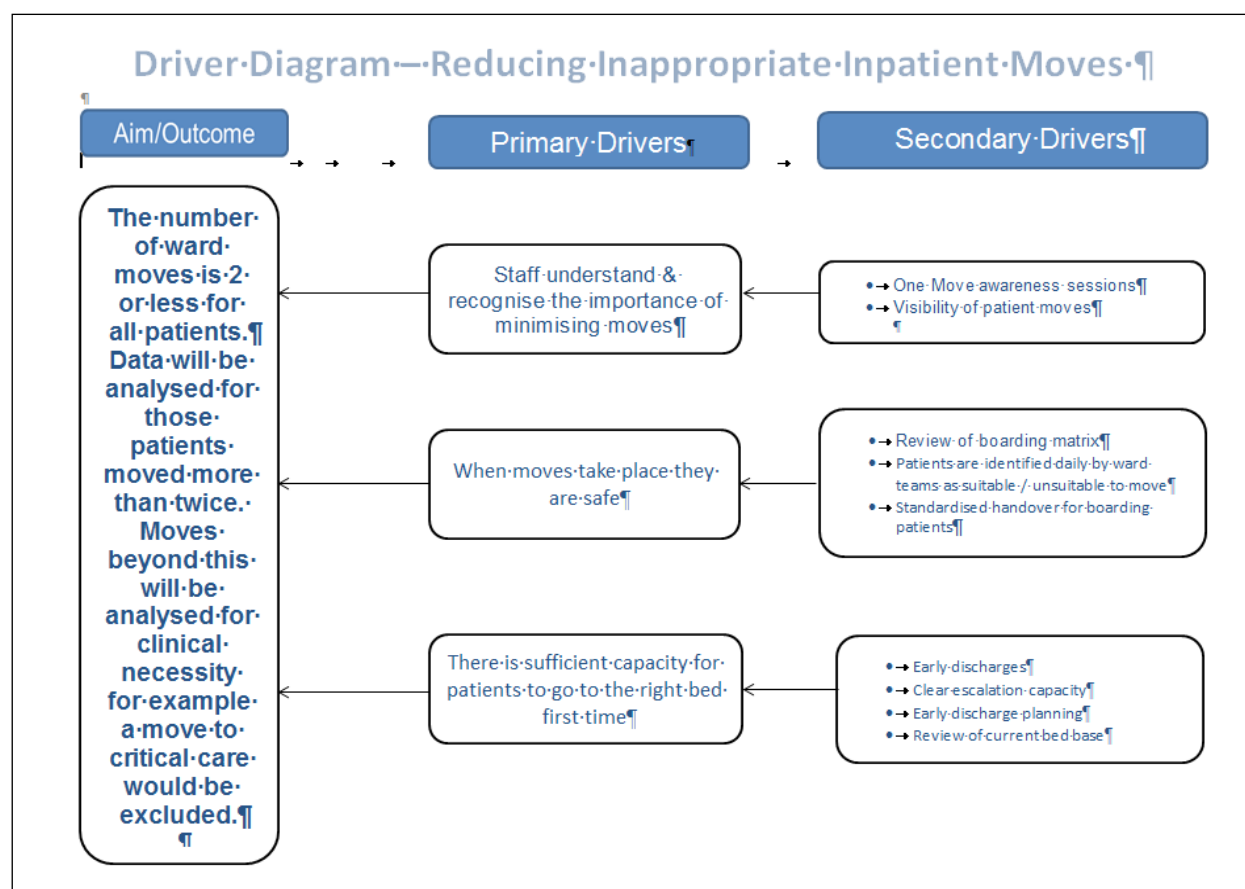
- Continued roll out of the AMBER Care Bundle is ongoing.
- Amber Care Bundle aiming to go live on wards 2 and 3 at the Trust in April 2019. A baseline audit being completed
- Working with medical consultants who are championing its use within clinical areas
- Amber Care training on wards 2 & 3 commenced on 31st Jan, weekly sessions for 6 weeks. Education resources / folders created for each clinical area.

End of Life Care driver diagram



Reducing Inpatient Moves

Reducing inappropriate inpatient moves driver diagram



The Trust is committed to reducing inpatient moves throughout the organisation, especially when this occurs for non-clinical reasons. The national evidence suggests that patient moves are associated with extended length of stay and lack of continuity of care. As an organisation we have reviewed our current policies and procedures related to patient moves/boarding to ensure that patient moves are kept to minimal level and clinically appropriate patients are moved to suitable areas. The introduction of the flex bundle has been a clinically led protocol designed to ensure a holistic assessment of the patients' needs are considered.

It is unlikely we can eliminate the practice of medical outliers / patient moves entirely however the Quality programme in 18/19 has developed safe procedures and identified long term plans to support the overall reduction of this metric. It is fair to say that there are further aspects of improvement work required for the success of this quality measure which will be carried into the Quality programme 19/20.

The following work streams are in place to support the reduction of patient moves and improve the quality and safety when patients are moved:

- Trust-wide bed modelling review to assess capacity and demand
- The National Emergency Intensive Support Team (ECIST) are providing assistance with the safe admission and discharge processes in the Trust.
- Implementation of the safe flex bundle which supports a holistic assessment criteria
- Live visibility around patient moves to support decision making.

Governors' Choice of Indicator

Mortality

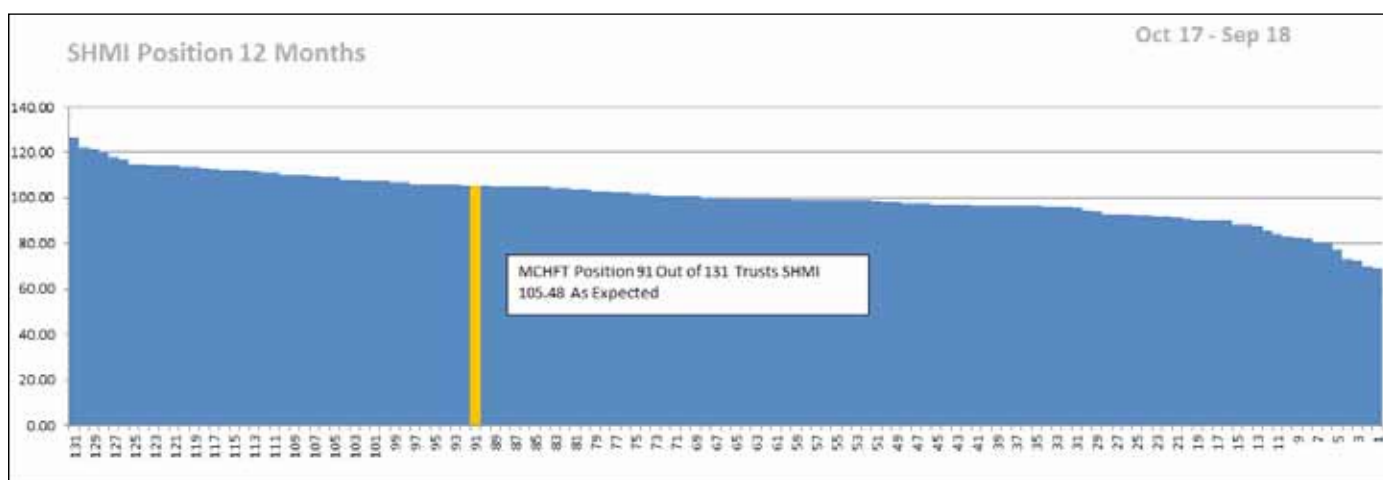
Our aim is for from April 2015, Mid Cheshire Hospitals NHS Foundation Trust's Summary Hospital-Level Mortality Indicator (SHMI) will remain at or below 1.0 and its Hospital Standardised Mortality Ratio (HSMR) will remain at or below 100.

Why is it important?

SHMI and HSMR are indicators which report on mortality at Trust level across the NHS in England. These measures are important because high mortality rates may be an indication of problems with the quality and safety in a hospital.

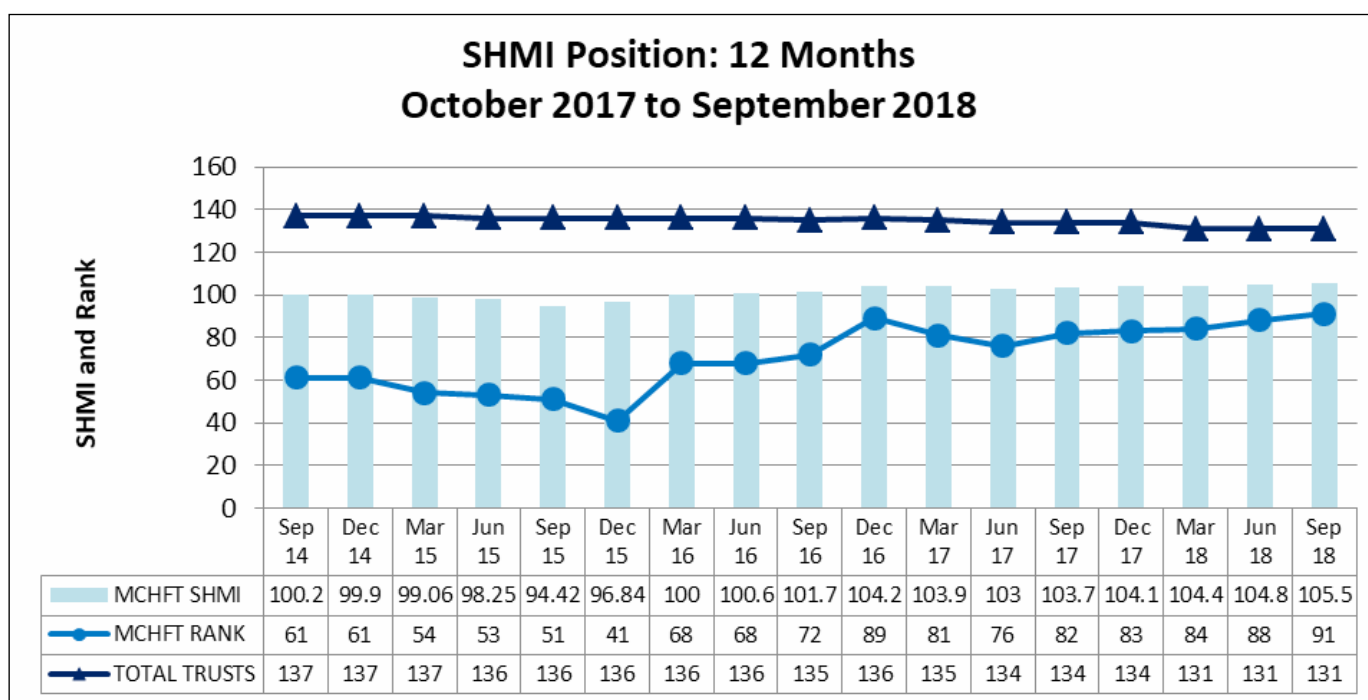
Progress

Summary Hospital-level Mortality Indicator (SHMI) October 2017 - September 2018



(Source NHS Digital, 2018)

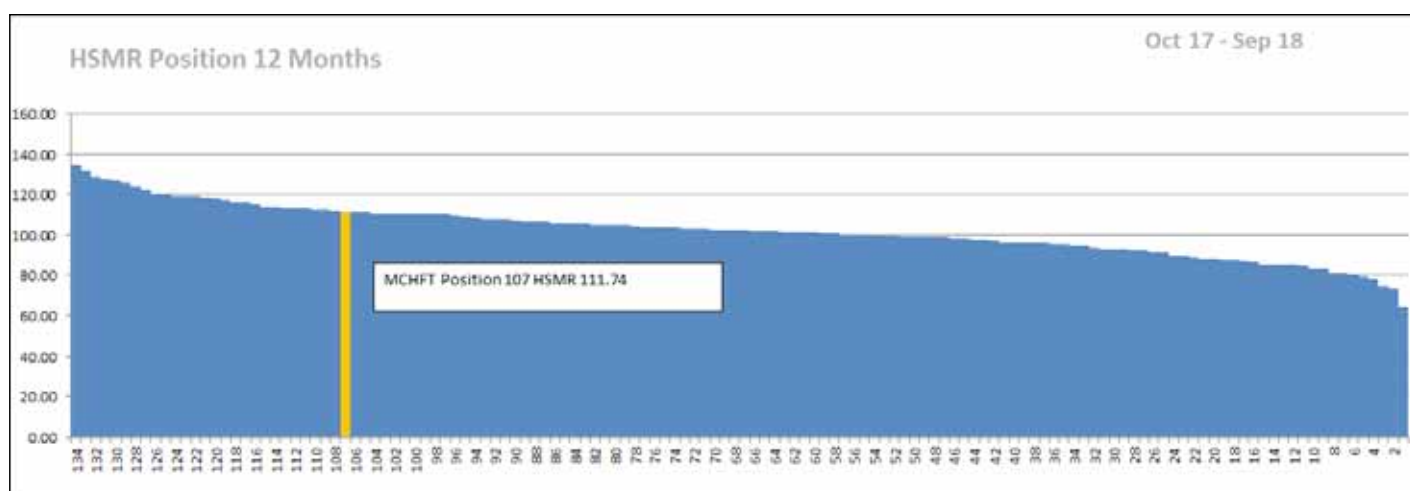
The above chart demonstrates the SHMI position for the reporting period October 2017 - September 2018. The SHMI is currently 105.48 and is in the 'as expected' range. This currently places the Trust 91 out of 131 Trusts.



(Source NHS Digital, 2018)

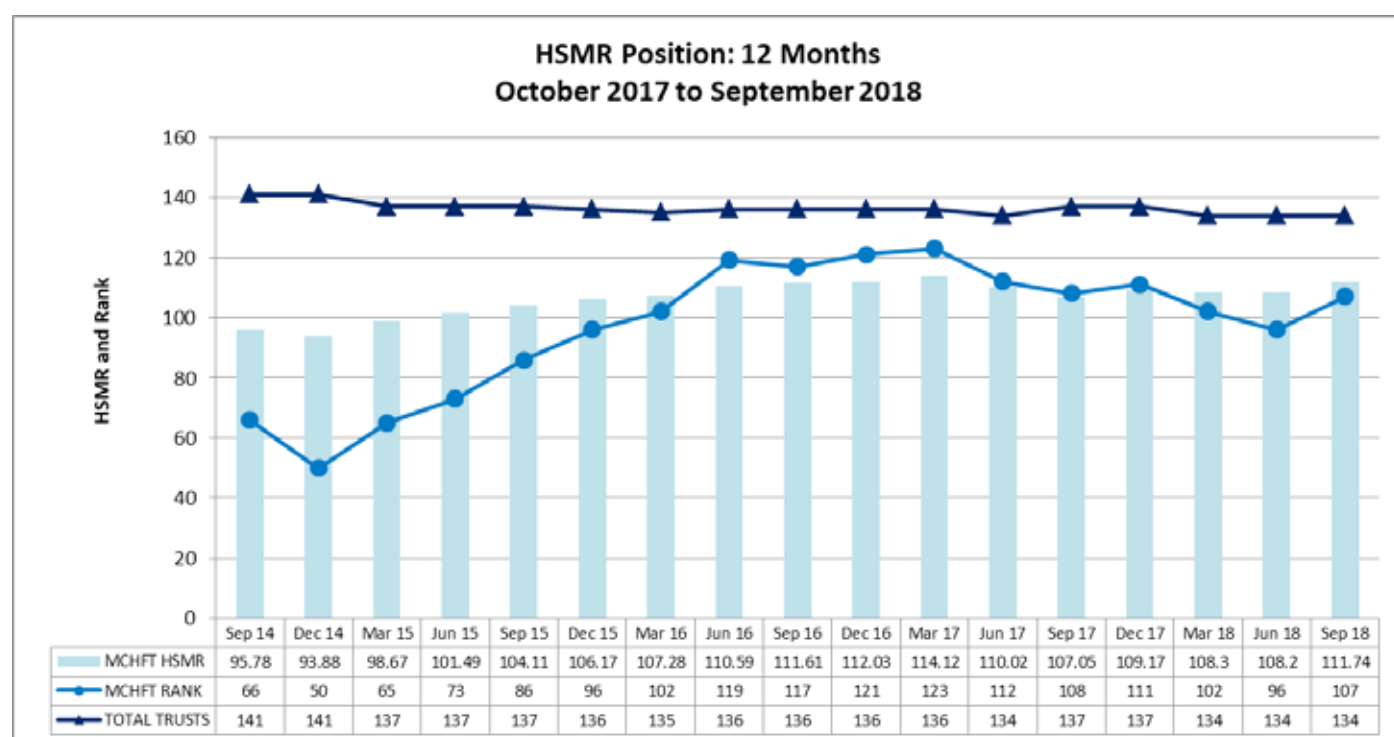
The above chart demonstrates the SHMI and rank of the Trust over time, up to latest reporting period.

Hospital Standardised Mortality Rate (HSMR) October 2017 – September 2018



(Source HED, 2019)

The above chart demonstrates the HSMR position for the reporting period October 2017 - September 2018. The HSMR is currently 111.74 and places the Trust 107 out of 134 Trusts.



(Source HED, 2019)

The above chart demonstrates the HSMR and rank of the Trust over time, up to the latest reporting period.

The month on month changes to the Trust SHMI and HSMR is caused by a number of different factors but mainly driven by natural variation in admissions resulting in death across the whole country. Using these models, the Trust has maintained a mortality rate that is 'within the expected range' for each month and quarterly release.

Learning from Deaths and Improvements

The Trust Learning from Deaths Policy built upon the Mortality Case Note Review Standard Operating Procedure, which outlined the existing embedded process for reviewing all in-hospital deaths.

All in-patient deaths are reviewed on a weekly basis by a team of consultants led by the Lead Consultant for Patient Safety. A short mortality case note review form is completed and if a death is identified where clinical care could potentially have been more appropriate, the case is referred for a Structured Judgement Review.

The Medical Director and Clinical Lead for Patient Safety undertook two sessions to educate a cohort of senior medical and nursing staff on how to undertake the Structured Judgement Review Process.

The clinical conditions that were included within the Structured Judgement Review Process for 2018/19 were agreed by the HMRG in line with national guidance. The clinical conditions selected included:

- Acute Cerebrovascular Accident (at the weekend)
- Pneumonia (at the weekend)
- Intestinal obstruction without hernia
- Alcohol related liver disease
- Infectious diseases (CQC Insight metric)
- All deaths where families, carers or staff raise concerns
- Concerns raised by the Coroner
- Concerns raised at the Patient Safety Summit
- Concerns raised during the Friday mortality screening process
- Relevant elective deaths

The Structured Judgement Review Process commenced in April 2018.

Organisational learning from this process must be dynamic, with immediate actions and improvements undertaken in a timely manner to prevent reoccurrence. Short - medium term

improvements identified through organisational learning are introduced through the Trust's governance structure. In the longer term organisational learning will take place through the triangulation and theming of data and information.

The Divisional Mortality Reduction Groups undertake mortality case note reviews in line with their terms of reference.

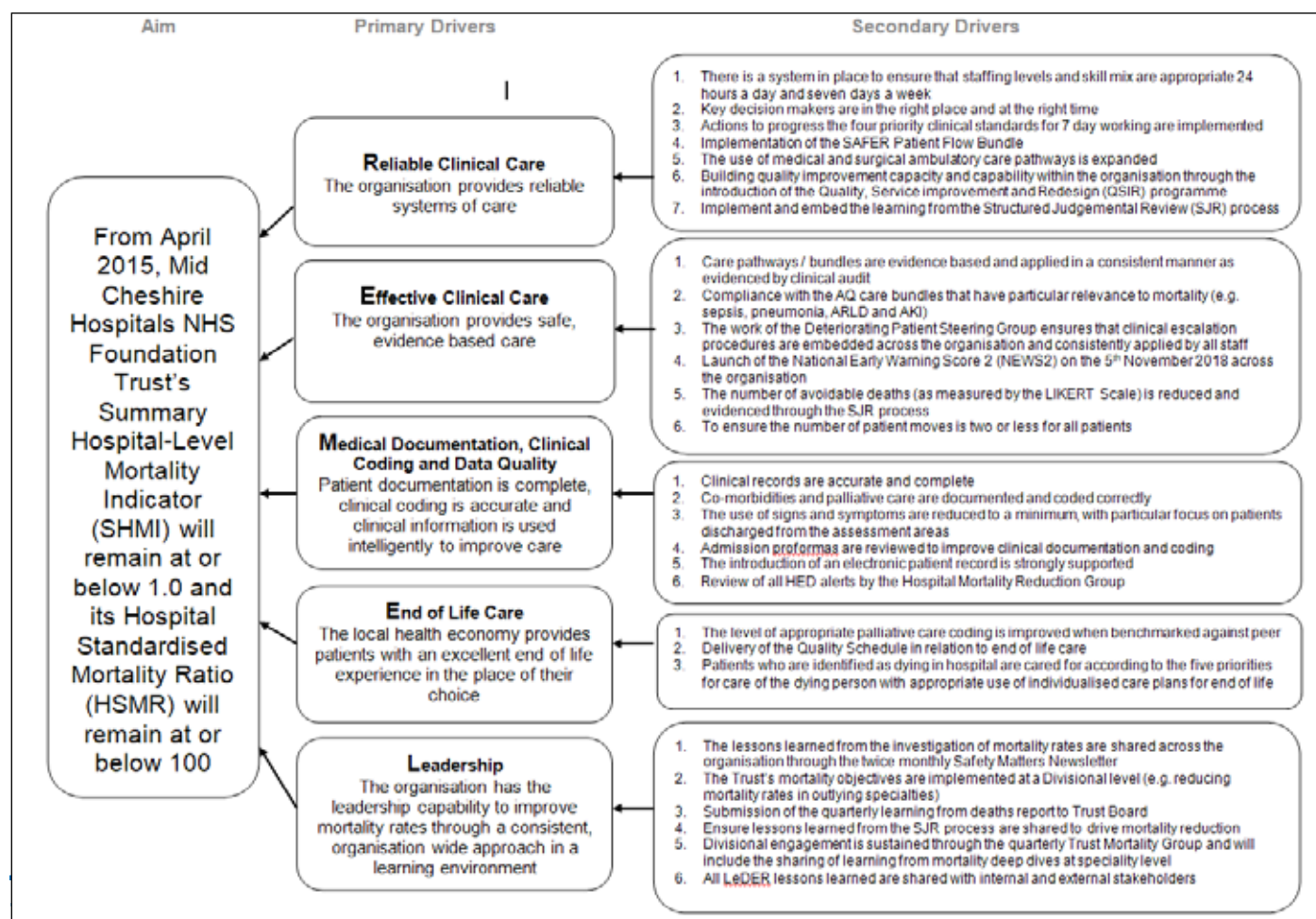
The Trust has a well-established Hospital Mortality Reduction Group (HMRG) led by the Medical Director. This group monitors the mortality reduction improvement plans across the Trust. On a quarterly basis the HMRG meets with the divisional mortality reduction groups to ensure a unified approach to mortality reduction across the Trust and to share learning opportunities.

Quarterly deep dives are undertaken to understand the mortality data further. To date deep dives have been completed on the following topics and the detail included in the quarterly Learning from Deaths Report.

- Gynaecology Mortality Rates
- Gastroenterology Mortality Rates
- Palliative Care Mortality Rates
- Paediatrics
- Cardiology

The HMRG developed a reducing hospital mortality rates driver diagram. There are five primary drivers are:

- Reliable Clinical Care
- Effective Clinical Care
- Medical Documentation, Clinical Coding and Data Quality
- End of life Care
- Leadership



The main areas of focus from the driver diagram currently are:

Actions to progress the four priority clinical standards for 7 day working included:

- Submitting data from the March / April 2018 survey centrally
- Development of a business case for general surgery to support seven day working for presentation at Trust Board
- The NHS England team visited the paediatric department and discussed the process for the robust documentation of time to admission. They also discussed and provided clarity around the exclusion criteria in relation to the 7 day services data submission
- NHS Improvement published a guidance document on the challenges and solutions for 7 day services. The divisional teams reviewed this to identify any learning to implement locally.

Actions to implement the Structured Judgement Review Process in line with national guidance:

- The Structured Judgement Review Process commenced in April 2018
- The learning from these reviews has been collated and included in a quarterly newsletter
- A deep dive into the Structured Judgement Review Process has been completed and reported in the quarterly Trust Learning from Deaths Report.

Actions to implement learning lessons

- The structure of the twice monthly Patient Safety Summit has been reviewed to include specific sections for each Division to feedback on learning from incident investigations and case note reviews.

Actions to progress the use of care pathways/ bundles which are evidence based and applied in a consistent manner, as evidenced by clinical audit and include:

- The Trust re-joined the Advancing Quality (AQ) programme in April 2017 and has signed up for a further year in 2018/19. The four pathways chosen are:
- Sepsis
- Alcohol related liver disease (ARLD)
- Pneumonia
- Acute Kidney Injury (AKI)
- Clinical leads have been identified for each of the pathways and monitoring is undertaken by the Care Pathway Group, reporting to the Quality and Safety Improvement Strategy Group with escalation to the Executive Quality Governance Group and assurances to the Quality Governance Committee.

Annex 1 - Statements from commissioners, local Healthwatch organisations and overview and scrutiny committees

Council of Governors

The Council of Governors (CoG) welcomes the opportunity to comment on the 2018/19 Quality Account for Mid Cheshire NHS Foundation Trust. The council of governors, collectively, is the body that binds a foundation trust to its patients, service users, staff and stakeholders and consists of elected members and appointed individuals who represent members and other stakeholder organisations. As Governors, we receive assurances about the quality and performance of the trust during the year and we are also involved in a range of other events, such as patient safety walkarounds, patient and carer surveys, public meetings, committee meetings and committee observations. All of these activities enable us to scrutinise the quality of care that is being provided and we hear first-hand from staff, patients and carers about the care they receive across all areas of the trust. We also hear through patient stories, staff feedback, reviews of incidents and complaints and reports to Council of the many ways that staff are working to improve quality – all of which reflect the Trust's ongoing commitment deliver the best possible care.

2018/19 was a challenging year for the Trust which, like other healthcare providers, has witnessed increased demand for its services as a result of an ageing population and evolving healthcare needs. In addition, wider social and economic pressures along with system reconfiguration have meant that maintaining high quality, safe care can at times be difficult for any provider of health and social care. Despite these challenges, feedback from patients about the standard of care they received is consistently high (as evidenced in both national and in local surveys) and the actions taken following previous surveys demonstrate that care has improved in some key areas. We were particularly pleased to see the significant improvements achieved in respect of staff helping patients to eat meals (12% improvement on 2017) and in the area of doctor:patient communication. Specific projects aimed at improving delays at discharge, emotional support and the suite of actions in place to enhance the care provided to maternity patients and patients with cancer should also lead to improvements in patient experience and the CoG will be interested to track the impact of these during 2019/20. We were also impressed with the work being done by the Patient Information Group to ensure that the

trust meets the information needs of patients and that alternative types of information are provided and also by the Trust's approach to planning for the seven day service, the aim to reduce length of stay and the ways in which patients with a learning disability are supported should they require care/treatment.

The Trust's achievements are recognised not only by the CoG, by staff and by other stakeholders, but also at national level. The three national awards in the areas of surgical ambulatory care, fracture clinics and wound management, along with other projects shortlisted for national awards, reflect the innovative and creative ways in which services are being developed and it is hoped that the learning from these projects can be shared so as to support improvements across the sector. Participation in the national clinical audit programme also evidences the quality of care provided by the trust when compared to other trusts involved in these national programmes. Again the detailed action plans evidence a concern to learn and improve as do the actions taken by the Hospital Mortality Reduction Group to ensure a unified approach to mortality reduction across the Trust and to share learning opportunities. As these actions embed, the CoG would be keen to see the Trusts overall position (currently 88/131) improve - although it is recognised that the current position is in the 'as expected' range.

The pride that staff have in their services and their commitment to delivering high quality care is evident from our patient safety walkarounds, from discussions of patient stories at Board / Council and in other CoG activities and this is testament both to the motivation of individual staff and also to the quality of leadership at all levels of the organisation. This is reflected in particular by the outcomes from the Friends and Family Test, in the staff survey and was recognised by the CQC in its review of the trust (May 2018) which we were delighted to see rated leadership of the trust as 'good'.

The CoG was delighted that the Trust achieved an overall rating of 'Good' following the comprehensive CQC inspection. It was disappointing therefore that the outcome for 'safe' was lowered to 'requires improvement' following the inspection. During their visit, the CQC observed failures to follow infection and control procedures within some clinical areas and they also had concerns regarding the ways in which

compliance with infection control procedures were monitored. We recognise that the Trust has implemented an improvement plan in respect of this during 2018/19, progress of which is reported to the local CCGs on a quarterly basis.

The CoG also notes with concern the challenges experienced in year regarding achievement of some of the key indicators within the NHS Improvement Standard Oversight Framework and a decline in the standards relating to MRSA infections and pressure ulcers. Whilst 4/5 indicators within the NHS Improvement Standard Oversight Framework were consistently met, the standard not achieved was the four hour access standard, (nationally known as the A&E Target) which delivered 83.63% in 2018/19. Whilst many trusts across England failed to meet this target, the potential impact for patients and on staff is significant and as such this is an area that governors will continue to focus on during 2019/20. We are also keen to better understand the opportunities across the locality to reduce avoidable admissions and also to ensure staff wellbeing during periods of significant pressure. In addition to our focus on patient and staff experience within A&E, the CoG is keen to see progress on the 9 key priority areas within the Quality and Safety Improvement Strategy (which includes reductions in MRSA and pressure ulcers) and on the actions within the Workforce Matters Strategy. As a CoG we were pleased to see the commitments made within these strategies across Mid Cheshire NHS Foundation Trust and CCICP to supporting staff, reducing harm and on improving patient's experiences of care, and especially patient's experiences of end of life care given the impact of an ageing population both now and in the future.

Throughout the Quality Account key priorities are discussed, data on 2018/19 performance is presented clearly and actions / learning discussed. The commitment 'to deliver excellence in healthcare through innovations and collaboration' is clear and as a CoG we are confident that the 2018/19 Quality Account reflects a fair, representative and balanced overview of the quality of care across MCHFT and CCICP.

Dr Katherine Birch
Lead Governor

Quality Accounts NHS South Cheshire and NHS Vale Royal CCG Statement – Mid Cheshire Hospitals NHS Foundation Trust.

Note this response is written based on an incomplete draft

General Overview

NHS South Cheshire Clinical Commissioning Group (CCG) and NHS Vale Royal Clinical Commissioning Group (CCG) welcome the opportunity to comment on Mid Cheshire Hospitals Foundation Trust (MCHFT) Quality Account 2018/19.

We can confirm that we have reviewed the content of the Quality Account and this reflects a fair, representative and balanced overview of the quality of care in MCHFT and includes the mandatory elements required.

NHS South Cheshire CCG and NHS Vale Royal CCG endorse MCHFT's clear vision 'to deliver excellence in healthcare through innovations and collaboration' which is underpinned by agreed values and behaviours.

The priorities MCHFT identified in the Quality Account continue to build on a strong patient focus, supported by staff values and behaviours which underpin the quality agenda. In particular, we would like to highlight the on-going engagement with partners based on feedback from carers and patients.

Patient and Public Engagement

The CCGs note the continued collaborative approach which includes working with partners, local communities and working relationships relating to the quality of care delivered to patients at MCHFT, examples of which are the Readers Panel and the accessibility of information and leaflets to inform patient experience. We congratulate them on the continued achievements for a significant number of the quality indicators.

It was pleasing to see the involvement of voluntary services in a number of initiatives across the trust which is reflected in the national inpatient survey

Clinical Priorities

MCHFT continues to have a focus on a number of clinical areas to drive quality and safety forward and to improve outcomes for patients. Of particular note is the development of multidisciplinary teams in readiness for the seven day service which is hoped to improve quality outcomes, and the timely & effective delivery of services.

The aim to reduce inpatient moves will improve patient experience and support reduced length of stay. The CCG support the Trust's view that further work is required in 2019/20 to improve this quality measure.

The CCGs acknowledge that MCHFT work hard to ensure that care they provide to people with a Learning Disability is of a high quality and have introduced a number of initiatives to improve access.

The CCGs also recognise the work that the Trust has put into place to implement the 'Learning from Deaths' guidance and the commitment to learn from deaths and improve services.

The Trust has not achieved their targets that the Summary Hospital-Level Mortality Indicator (SHMI) will remain at or below 1.0 or that the Hospital Standardised Mortality Ratio (HSMR) will remain at or below 100. However, the Trust remains in the 'as expected' range for mortality.

Overall, the Trust's delivery of services to support people with cancer is making positive progress driving quality and safety forward – MCHFT remain above the National average in the Public Health England and NHS England Cancer Dashboard, although there has been a slight decrease but overall they remain above the national average.

CQC Inspection

The CCGs congratulate the Trust for the overall rating of 'Good' following the CQC Comprehensive Inspection in May 2018. The CQC is responsible for ensuring health and social care services meet essential standards of quality and safety.

It was therefore disappointing to see that the rating for 'safe' was downgraded to 'requires improvement'.

This is because the CQC observed failures to follow infection and control procedures across wards and areas within urgent and emergency care, maternity care and medicine services. The CQC also found a lack of adequate assurance that there was an effective process for overseeing and monitoring compliance with infection control procedures.

The CCGs recognise that the Trust implemented a comprehensive improvement plan, progress of which has been reported to the contract and quality meetings on a quarterly basis.

However, the CCGs are concerned that there has been an increase in infection control issues within the Trust despite the completion of the CQC improvement plan.

Quality and Safety

It is disappointing to note that there has been an increase in a number of areas relating to safety:

- Following a long period without MRSA Bacteraemia infections, the Trust has reported four cases in the last quarter. In line with national guidance of acute trusts to have zero tolerance of MRSA bacteraemia, the CCGs have taken contractual action to support the Trust to learn from these outbreaks and to ensure safe care for patients.

MCHFT has identified learning for all four cases and has developed comprehensive improvement plans for implementation across the Trust and workforce. The Trust has continued to take responsibility and be accountable for continuous quality improvement in relation to infection prevention and control, and this is reflected in the Quality Account.

- The CCG acknowledge that the Trust has been working to reduce the incidence of serious harm. This has resulted in a target to reduce the numbers of Serious Incidents (SI). The CCGs have worked with the Trust to highlight that numbers of SIs alone should not be a performance target. This is to encourage the reporting of incidents and a robust learning culture.
- Despite a target to reduce the numbers of pressure ulcers, the Trust has seen an increase in the number of hospital acquired and community acquired pressure ulcers.

The CCGs recognise and acknowledge the positive work that has been undertaken to date which is described in the Quality Account.

The CCGs have raised with the Trust that in line with the NHS Improvement Pressure Ulcer Guidance 2018, the new definitions of Pressure Ulcers should be used and the language of 'avoidable' and 'unavoidable' should not be used.

MCHFT and the Central Cheshire Integrated Partnership (CCICP) have committed to work with the CCG and local partners and we look forward to working together in 2019/20 to improve the occurrence of pressure ulcers across the health economy.

The CCGs would like to recognise the following:

- The Trust participation in a Health Economy approach to reduce Gram negative bacteraemia infections, specifically ECOLI. This group is led by the CCGs and MCHFT has contributed significantly to the analysis of data, this has enabled the multi-agency steering group to identify an improvement plan which has resulted in a reduction of infections in this health economy.
- The positive work to reduce the numbers of inpatient falls which has seen a slight reduction since 2015.
- The work to recognise the deteriorating patient and improve screening and treatment for Sepsis, which the Trust has also acknowledged in their Celebration of Achievement Awards.
- The CCGs note that there was one Never Event in 2018, however the Trust has demonstrated an open and honest approach and a robust learning culture in its management of the case.

As commissioners of the services, the CCGs support the work of MCHFT and the on-going commitment to continue to improve the quality and safety of all of their services. We look forward to working with the Trust as they work towards their priorities for 2019-20.

Healthwatch Cheshire CIC Response to Quality Account 2018/19

We recognise that there have been significant challenges for the Trust during 2018/2019 and value the relationship that Healthwatch Cheshire CIC and the Trust have, as noted in this document. We have noted and welcome the extensive use of patient surveys. The improvement in the National Inpatient Survey for 2018 compared to 2017 and the large increase in compliments received by the Trust is to be commended.

We look forward to continue working with the Trust during 2019-2020 to enable our community to have a powerful voice helping to shape and improve these services for the future.

Healthwatch Cheshire CIC
Apri 2019

Annex 2 - Statement of Directors' responsibilities for the quality report

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

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 NHS foundation Trust boards should put in place to support the data quality for the preparation of the quality report.

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

- The content of the Quality Report meets the requirements set out in the NHS foundation Trust annual reporting manual 2018/19 and supporting guidance detailed requirements for quality reports 2018/19
- The content of the Quality Report is not inconsistent with internal and external sources of information including:
 1. Board minutes and papers reported to the board over the period 1 April 2018 to 31 March 2019
 2. Papers relating to the quality reported to the board over the period 1 April 2018 to 31 March 2019
 3. Feedback from commissioners dated 09.04.19
 4. Feedback from governors dated 25.04.19
 5. Feedback from local Healthwatch organisations dated 11.04.19
 6. The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, draft dated 16.05.19
 7. The (latest) national patient survey 29.01.19
 8. The (latest) national staff survey 01.04.19
 9. The Head of Internal Audit's annual opinion of the Trust's control environment dated 15.05.2019CQC report relating to inspection dated 20.03.18 – 10.05.18
- The Quality Report presents a balanced picture of the NHS foundation Trust's performance over the period covered
- The performance information reported in the Quality Report is reliable and accurate
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- The data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- The Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting 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.

By order of the board



Dennis Dunn

Chairman

20 May 2019



Dr Paul Dodds

Interim Chief Executive

20 May 2019

Appendices

Appendix 1 - Glossary and abbreviations

Terms	Abbreviation	Description
Acute Kidney Injury	AKI	A sudden episode of kidney failure or kidney damage that happens within a few hours or a few days. AKI causes a build-up of waste products in the blood, making it hard for the kidneys to keep the right balance of fluid in the body.
Advancing Quality	AQ	A programme which rewards hospitals which improve care in a number of key areas – heart attacks, pneumonia, hip and knee replacements, heart failure and heart bypass surgery – when compared to research which identifies what best care constitutes.
Advancing Quality Alliance	AQuA	A north west NHS health and care quality improvement organisation.
Antimicrobial resistance & stewardship		A coordinated program that promotes the appropriate use of antimicrobials, improves patient outcomes, reduces microbial resistance and decreases the spread of infections caused by multidrug-resistant organisms.
Board (of Trust)		The role of Trust's board is to take corporate responsibility for the organisation's strategies and actions. The chair and non-executive directors are lay people drawn from the local community and are accountable to the Secretary of State. The chief executive is responsible for ensuring that the board is empowered to govern the organisation and to deliver its objectives.
Care Quality Commission	CQC	The independent regulator of health and social care in England. Its aim is to make sure better care is provided for everyone, whether in hospital, in care homes, in people's own homes, or elsewhere.
Central Cheshire Integrated Care Partnership	CCICP	A collaboration between Mid Cheshire Hospitals Foundation NHS Trust, Cheshire and Wirral Partnership NHS Foundation Trust and the South Cheshire and Vale Royal GP Alliance to provide community healthcare to the population of South Cheshire and Vale Royal.
Clinical Commissioning Group	CCG	This is the GP led commissioning body who buy services from providers of care such as the hospital.
Clostridium Difficile	C-diff	A naturally occurring bacterium that does not cause any problems in healthy people. However, some antibiotics that are used to treat other health conditions can interfere with the balance of 'good' bacteria in the gut. When this happens, C-diff bacteria can multiply and cause symptoms such as diarrhoea and fever.
Commissioner		A person or body who buy services.
Commissioning for Quality and Innovations	CQUIN	CQUIN is a payment framework developed to ensure that a proportion of a providers' income is determined by their work towards quality and innovation.
Deprivation of Liberty Safeguards	DOLs	The Mental Capacity Act allows restraint and restrictions to be used but only in a person's best interest. Extra safeguards are needed if the restrictions and restraints used will deprive a person of their liberty. These are called the Deprivation of Liberty Safeguards.
Duty of Candour		A legal duty to inform and apologise to patients if there have been mistakes in their care that have led to significant harm. It aims to help patients receive accurate truthful information from health providers.
Endoscopy		A nonsurgical procedure used to examine a person's digestive tract using an endoscope – a flexible tube with a light and camera attached to it.
Health Service Ombudsman		The role of the Health Service Ombudsman is to provide a service to the public by undertaking independent investigations into complaints where the NHS in England have not acted properly or fairly or have provided a poor service.

Terms	Abbreviation	Description
Hospital Evaluation Data	HED	This is an on-line solution delivering information which enables healthcare organisations to drive clinical performance in order to improve patient care and deliver financial savings
Intrahepatic Cholestasis		A condition that impairs the release of a digestive fluid called bile from liver cells. As a result, bile builds up in the liver, impairing liver function.
John's campaign		A campaign for extended visiting rights for family carers of patients with dementia in hospital.
Methicillin-Resistant Staphylococcus Aureus	MRSA	Staphylococcus aureus is a bacterium which is often found on the skin and in the nose of about 3 in 10 healthy people. An infection occurs when the bacterium enters the body through a break in the skin. A strain of this bacterium has become resistant to antibiotic treatment and this is often referred to as MRSA.
National Joint Registry		Set up by the Department of Health and Welsh Government in 2002 to collect information on all hip, knee, ankle, elbow and shoulder replacement operations and to monitor the performance of joint replacement implants and effectiveness of different types of surgery.
National Patient Surveys		Co-ordinated by the CQC, they gather feedback from patients on different aspects of their experience of care they have recently received, across a variety of services/settings: Inpatients, Outpatients, Emergency care, Maternity care, Mental Health services, Primary Care services and Ambulance services.
National Safety Standards for Invasive Procedures	NatSSIPs	A set of national safety standards to support NHS hospitals to provide safer surgical care.
Nephrotoxic		Damage to the kidneys
Never Event		Serious, largely preventable patient safety incident that should not occur if the available preventative measures have been implemented.
Oncology		The study of cancer. An oncologist manages a person's care and treatment once he/she is diagnosed with cancer.
Patient Reported Outcome Measures	PROMs	A programme in which patients complete a questionnaire on their health before and after their operation. The results of the two questionnaires can be compared to see if the operation has improved the health of the patient. Any improvement is measured from the patient's perspective as opposed to the clinicians.
Percutaneous Nephrolithotomy		A minimally invasive procedure to remove stones from the kidney by a small puncture wound through the skin.
Preceptorship		A period transition for newly qualified nurses during which time they are supported by a mentor.
Quality Account		This is a statutory annual report of quality which provides assurance to external bodies that the Trust Board has assessed quality across the totality of services and is driving continuous improvement.
Re-admission Rates		A measure to compare hospitals which looks at the rate at which patients need to be readmitted to hospital after being discharged (leaving hospital).
Sepsis		A life threatening condition that arises when the body's response to an infection injures its own tissue and organs.
Sign up to Safety		A national initiative to help NHS organisations and their staff achieve their patient safety aspirations and care for their patients in the safest possible way.
Sigmoidoscopy		A minimally invasive medical examination of the large intestine from the rectum using an instrument called a sigmoidoscope.
Submucosal tie		The posterior tongue-tie, hidden under the mucus lining of the tongue/ mouth.

Terms	Abbreviation	Description
Summary Hospital level Mortality Indicator	SHMI	<p>SHMI is a hospital level indicator which measures whether mortality associated with hospitalisation was in line with expectations. The SHMI value is the ratio of observed deaths in a Trust over a period of time divided by the expected number given the characteristics of patients treated by that Trust Depending on the SHMI value, Trusts are banded between 1 and 3 to indicate whether their SHMI is low (3), average (2) or high (1) compared to other Trusts.</p> <p>SHMI is not an absolute measure of quality. However, it is a useful indicator for supporting organisations to ensure they properly understand their mortality rates across each and every service line they provide.</p>
To Take Out	TTO	Medication given to patient on discharge from hospital.
Venous Thrombo-Embolism	VTE	This is a blood clot which can develop when a person may not be as mobile as they are usually or following surgery. The blood clot itself is not usually life threatening, but if it comes loose it can be carried in the blood to another part of the body where it can cause problems – this is called a Venous Thromboembolism (VTE).
Workforce Race Equality Standards		Standards to ensure the Trust addresses race equality issues.

Appendix 2 - Feedback form

We hope you have found this Quality Account useful. To save costs, the report is available on our website and hard copies are available on request.

We would be grateful if you would take the time to complete this feedback form and return it to:

Clinical Quality and Outcomes Matron
Mid Cheshire Hospitals NHS Foundation Trust
Leighton Hospital
Middlewich Road
Crewe
Cheshire
CW1 4QJ
quality.accounts@mcht.nhs.uk

How useful did you find this report?

- Very useful ☐
- Quite useful ☐
- Not very useful ☐

Did you find the contents?

- Too simplistic ☐
- About right ☐
- Too complicated ☐

Is the presentation of data clearly labelled?

- Yes, completely ☐
- Yes, to some extent ☐
- No ☐

If no, what would have helped?

Is there anything in this report you found particularly useful/not useful?

Independent auditor's report to the council of governors of Mid Cheshire Hospitals NHS Foundation Trust on the quality report

We have been engaged by the council of governors of Mid Cheshire Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Mid Cheshire Hospitals NHS Foundation Trust's quality report for the year ended 31 March 2019 (the 'quality report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of Mid Cheshire Hospitals NHS Foundation Trust as a body, to assist the council of governors in reporting Mid Cheshire Hospitals 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 indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the council of governors as a body and Mid Cheshire Hospitals NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge.
- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers, reported in accordance with official performance statistics based on 50:50 breach allocation rules.

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; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, 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 for the period 1 April 2018 to 31 March 2019;
- papers relating to quality reported to the board over the period 1 April 2018 to 31 March 2019;
- feedback from Commissioners, dated 9 April 2019;
- feedback from governors, dated 25 April 2019;
- feedback from local Healthwatch organisations, dated 11 April 2019;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 16 May 2019;
- the latest national patient survey, dated 29 January 2019 ;
- the latest national staff survey, dated 1 April 2019;
- Care Quality Commission inspection report, dated 20 March 2018-10 May 2018;
- the Head of Internal Audit's annual opinion over the trust's control environment, dated 15 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.

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 indicators;
- 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 non-mandated indicators which have been determined locally by Mid Cheshire Hospitals NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 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' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance.



Deloitte LLP
Manchester
24 May 2019

Annual Accounts



Foreword to the Accounts

These accounts, for the year ended 31 March 2019, have been prepared by Mid Cheshire Hospitals NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.



Dr Paul Dodds
Interim Chief Executive & Accounting Officer
Date: 20 May 2019

Statement of Comprehensive Income for the Year Ended 31 March 2019

	Note	Group		Foundation Trust	
		2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Operating Income from patient care activities	3	227,075	219,663	227,075	219,663
NHS Charitable Funds: Incoming Resources excluding investment income	4	291	267	-	-
Other operating income	4	29,130	30,199	29,337	30,473
Operating expenses	5	(258,795)	(231,581)	(258,642)	(231,361)
OPERATING (DEFICIT)/SURPLUS		(2,299)	18,548	(2,230)	18,775
Finance Income/(Costs):					
Finance Income	8	114	51	101	36
Finance expense – financial liabilities	9.1	(403)	(377)	(403)	(377)
Finance expense – unwinding of discount on provisions	22	(4)	(2)	(4)	(2)
PDC Dividends paid	28	(1,953)	(1,845)	(1,953)	(1,845)
NET FINANCE COSTS		(2,246)	(2,173)	(2,259)	(2,188)
Other Gains		4	-	-	-
(DEFICIT)/SURPLUS FOR THE YEAR		(4,541)	16,375	(4,489)	16,587

Other comprehensive income

Impairments on property, plant and equipment	23	(2,127)	(426)	(2,127)	(426)
Revaluations gains on property, plant and equipment	23	18	5,896	18	5,896
Other reserve movements		1	-	1	-
Fair Value gains/(losses) on Available-for-sale financial investments	36	13	(7)	-	-
Total Other comprehensive income		(2,095)	5,463	(2,108)	5,470
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(6,636)	21,838	(6,597)	22,057

The notes on pages 194 to 212 form part of these accounts.
All income and expenditure is derived from continuing operations.

Impact of Property Plant and Equipment valuations

	Group		Foundation Trust	
	2018/19 £'000	2017/18 £'000	2018/19 £'000	2017/18 £'000
Operating (Deficit)/Surplus before adjustments for valuation	(2,299)	18,548	(2,230)	18,775
Net reversal of impairments credited to the Statement of Comprehensive Income	5,499	(10,471)	5,499	(10,471)
Net Operating surplus excluding impact of impairment	3,200	8,077	3,269	8,304

Group Statement of Financial Position as at 31 March 2019

	Note	31 March 2019 £000	31 March 2018 £000
Non-current assets			
Intangible assets	10	1,427	660
Property, plant and equipment	11	90,875	95,975
Other Investments	12	622	590
Trade and other receivables	15	593	283
Total non-current assets		93,517	97,508
Current assets			
Inventories	14	3,831	3,456
Trade and other receivables	15	13,169	15,553
Cash and cash equivalents	24	11,252	7,829
Non-current assets held for sale	13	-	-
Total current assets		28,252	26,838
Current liabilities			
Trade and other payables	18	(20,140)	(17,616)
Borrowings	20	(6,853)	(1,962)
Provisions	22	(337)	(224)
Other liabilities	19	(1,650)	(1,067)
Total current liabilities		(28,980)	(20,869)
Total assets less current liabilities		92,789	103,477
Non-current liabilities			
Trade and other payables	18	-	-
Borrowings	20	(11,551)	(16,225)
Provisions	22	(1,423)	(1,586)
Total non-current liabilities		(12,974)	(17,811)
Total assets employed		79,815	85,666
Financed by taxpayers' equity			
Public dividend capital		77,508	76,791
Revaluation reserve	23	13,414	15,592
Income and expenditure reserve		(11,955)	(7,604)
Others' equity			
Charitable Fund Reserve	36	848	887
Total taxpayers' and others' equity		79,815	85,666

The financial statements on pages 185 to 193 were approved and authorised for issue by the Board and signed on its behalf on 20 May 2019.



Dr Paul Dodds
Interim Chief Executive
 Date: 20 May 2019

Foundation Trust Statement of Financial Position as at 31 March 2019

		31 March 2019 £000	31 March 2018 £000
	Note		
Non-current assets			
Intangible assets	10	1,427	660
Property, plant and equipment	11	90,875	95,975
Other Investments	12	-	-
Trade and other receivables	15	593	283
Total non-current assets		92,895	96,918
Current assets			
Inventories	14	3,831	3,456
Trade and other receivables	15	12,921	15,312
Cash and cash equivalents	24	11,249	7,761
Non-current assets held for sale	13	-	-
Total current assets		28,001	26,529
Current liabilities			
Trade and other payables	18	(20,127)	(17,616)
Borrowings	20	(6,853)	(1,962)
Provisions	22	(325)	(212)
Other liabilities	19	(1,650)	(1,067)
Total current liabilities		(28,955)	(20,857)
Total assets less current liabilities		91,941	102,590
Non-current liabilities			
Trade and other payables	18	-	-
Borrowings	20	(11,551)	(16,225)
Provisions	22	(1,423)	(1,586)
Total non-current liabilities		(12,974)	(17,811)
Total assets employed		78,967	84,779
Financed by taxpayers' equity			
Public dividend capital		77,508	76,791
Revaluation reserve	23	13,414	15,592
Income and expenditure reserve		(11,955)	(7,604)
Total taxpayers' equity		78,967	84,779

Statement of Changes in Taxpayers' and Others' Equity for the Year Ended 31 March 2019 - Group

	Note	Public dividend capital (PDC)	Retained Earnings	Revaluation Reserve	Foundation Trust Total	NHS Charitable Fund Reserve	Group Total
		£000	£000	£000	£000	£000	£000
Taxpayers' and Others' Equity at 1 April 2018		76,791	(7,604)	15,592	84,779	887	85,666
Impact of implementing IFRS 9 on opening reserves		-	68	-	68	-	68
Retained Deficit for the year		-	(4,696)	-	(4,696)	155	(4,541)
Transfer between reserves	23	-	70	(70)	-	-	-
Fair value loss on Available for sale financial investments	12	-	-	-	-	13	13
Net Impairments	23	-	-	(2,127)	(2,127)	-	(2,127)
Revaluations	23	-	-	18	18	-	18
Public Dividend Capital Received		717	-	-	717	-	717
Other reserve movements		-	-	1	1	-	1
Other reserve movement – charitable funds consolidation adjustment		-	207	-	207	(207)	-
Taxpayers' and Others' Equity at 31 March 2019		77,508	(11,955)	13,414	78,967	848	79,815

Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2019 - Foundation Trust

	Note	Public dividend capital (PDC)	Retained Earnings	Revaluation Reserve	Foundation Trust Total
		£000	£000	£000	£000
Taxpayers' equity at 1 April 2018		76,791	(7,604)	15,592	84,779
Impact of implementing IFRS 9 on opening reserves		-	68	-	68
Retained deficit for the year			(4,489)	-	(4,489)
Transfer between reserves	23	-	70	(70)	-
Impairments	23	-	-	(2,127)	(2,127)
Revaluations	23	-	-	18	18
Public Dividend Capital Received		717	-	-	717
Other reserve movements				1	1
Taxpayers' equity at 31 March 2019		77,508	(11,955)	13,414	78,967

Statement of Changes in Taxpayers' and Others' Equity For the Year Ended 31 March 2018 - Group

	Note	Public dividend capital (PDC)	Retained Earnings	Revaluation Reserve	Foundation Trust Total	NHS Charitable Fund Reserve	Group Total
		£000	£000	£000	£000	£000	£000
Taxpayers' and Others' Equity at 1 April 2017		75,157	(24,231)	10,162	61,088	1,106	62,194
Retained Surplus for the year			16,313	-	16,313	62	16,375
Transfer between reserves	23	-	40	(40)	-	-	-
Fair value loss on Available for sale financial investments	12	-	-	-	-	(7)	(7)
Impairments	23	-	-	(426)	(426)	-	(426)
Revaluations	23	-	-	5,896	5,896	-	5,896
Public Dividend Capital Received		1,634	-	-	1,634	-	1,634
Other reserve movement – charitable funds consolidation adjustment		-	274	-	274	(274)	-
Taxpayers' and Others' Equity at 31 March 2018		76,791	(7,604)	15,592	84,779	887	85,666

Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2018 - Group

	Note	Public dividend capital (PDC)	Retained Earnings	Revaluation Reserve	Foundation Trust Total
		£000	£000	£000	£000
Taxpayers' Equity at 1 April 2017		75,157	(24,231)	10,162	61,088
Retained surplus for the year			16,587	-	16,587
Transfer between reserves	23	-	40	(40)	-
Impairments	23	-	-	(426)	(426)
Revaluations	23	-	-	5,896	5,896
Public Dividend Capital Received		1,634	-	-	1,634
Taxpayers' equity at 31 March 2018		76,791	(7,604)	15,592	84,779

Statement of Cash Flows for the Year Ended 31 March 2019

		Group		Foundation Trust	
	Note	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Cash flows from operating activities					
Operating (Deficit)/Surplus		(2,299)	18,548	(2,230)	18,775
Non-Cash income and expense					
Depreciation and amortisation	5.1	5,300	4,872	5,300	4,872
Impairments and Reversals	9.2	5,499	(10,471)	5,499	(10,471)
(Gain)/loss on disposal	11.1	-	-	-	-
Income recognised in respect of capital donations (cash and non-cash)		(10)	(25)	(206)	(288)
Decrease/(Increase) in trade and other receivables	15	2,293	(2,738)	2,291	(2,777)
(Increase) in Inventories	14	(375)	(161)	(375)	(161)
Increase/(Decrease) in trade and other payables	18.1	2,414	(1,186)	2,414	(1,186)
Increase/(Decrease) in other current liabilities	19	583	(195)	583	(195)
(Decrease) in provisions	22	(54)	(24)	(54)	(24)
NHS Charitable Funds – movements in Charitable Fund working capital		4	95	-	-
Other movements in operating cash flows		(2)	1	(2)	1
Net cash generated from operations		13,353	8,716	13,220	8,546
Cash flows from investing activities					
Interest received	8	101	36	101	36
Payments for intangible assets		(733)	(155)	(733)	(155)
Payments for property, plant and equipment		(6,708)	(3,661)	(6,708)	(3,661)
Receipt of cash donations to purchase capital assets		10	25	206	288
NHS Charitable funds - net cash flows from investing activities		(2)	3	-	-
Net cash (used in)/from investing activities		(7,332)	(3,752)	(7,134)	(3,492)
Cash flows from financing activities					
Public dividend capital received		717	1,634	717	1,634
Loans received from the Department of Health		1,600	9,146	1,600	9,146
Other Loans received		-	-	-	-
Loans repaid to the Department of Health		(417)	(9,892)	(417)	(9,892)
Other loans repaid		(56)	(56)	(56)	(56)
Capital element of finance lease rental payments		(1,950)	(1,534)	(1,950)	(1,534)
Interest Paid	9.1	(202)	(197)	(202)	(197)
Interest element of finance lease	9.1	(194)	(179)	(194)	(179)
Other interest	9.1	(1)	-	(1)	-
Public Dividend Capital Dividend paid	28	(2,095)	(1,862)	(2,095)	(1,862)
Net cash used in financing activities		(2,598)	(2,940)	(2,598)	(2,940)
Increase in cash and cash equivalents	24	3,423	2,024	3,488	2,114
Cash and Cash equivalents at 1 April		7,829	5,805	7,761	5,647
Cash and Cash equivalents at 31 March		11,252	7,829	11,249	7,761

NOTES TO THE ACCOUNTS

1. Accounting Policies and other information

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of NHS foundation trusts 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 DHSC Group Accounting Manual 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 DHSC Group Accounting Manual 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.

1.1 Going Concern

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

The Trust Board approved a plan for 2019/20 which delivers a £1.7M deficit and maintains a positive cash flow throughout the year. Downside modelling to 30/06/2020 indicates that a positive cash flow can be maintained with identified mitigation where appropriate.

The Trust Board has taken assurances throughout the year through the Performance and Finance Committee that plans are robust and deliverable.

1.2 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 and inventories and certain financial assets and financial liabilities.

1.3 Consolidation

Charitable Funds

The NHS foundation trust is the corporate trustee to Mid Cheshire NHS Charitable Fund. Mid Cheshire Hospitals NHS Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the foundation trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts have been prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- Recognise and measure them in accordance with Mid Cheshire Hospitals NHS Foundation Trust's accounting policies, and
- Eliminate intra-group transactions, balances, gains and losses.

Charity accounting policies

Incoming Resources

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis where the evidence of entitlement exists, when the charity has sufficient evidence that a gift has been left to it and the executor is satisfied that the gift in question will not be required to be required to satisfy claims in the estate. The recognition of the gift is also affected by the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Therefore a

receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when:

- There has been a grant of probate;
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within control of the charity or have been met.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Resources Expended

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. The financial statements are prepared in accordance with the accruals concept. A liability (and consequently, expenditure) is recognised in the accounts when there is a legal or constructive obligation, capable of reliable measurement, arising from a past event.

Resources expended are split into two main categories being the costs of generating funds and the actual costs of charitable activities.

Costs of activities in the furtherance of charitable activities are expenditure incurred on the provision of services or goods. Support costs are an integral and material part of the costs of activities in the furtherance of charitable activities and/or expenditure incurred in paying grants.

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

A grant is any payment which is made voluntarily to any institution or to an individual in order to further the charity's objectives, without receiving goods or services in return.

Where VAT is irrecoverable on purchases, the gross cost is charged to the funds.

Investment Fixed Assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the

balance sheet date using the closing quoted market price. The statement of comprehensive income includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the statement of comprehensive income as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of comprehensive income.

Contingent liabilities

A contingent liability is identified and disclosed for those transactions resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- A present obligation following a transactions offer where settlement is either not considered probable; or
- The amount has not been communicated in the transactions offer and that amount cannot be estimated reliably.

Structure of Funds

Where there is a legal restriction on the purposes to which a fund may be put, the fund is classified in the accounts as a restricted fund.

Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Mid Cheshire Hospitals Charity holds no endowment funds. Other funds are classified as unrestricted funds. Unrestricted funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the donor has made known their non-binding wishes or where the Trustee at its discretion has created a fund for a specific purpose.

The Trustee involves each division, ward, department, and where appropriate staff representatives, in fundraising and decisions regarding expenditure of charitable monies. A Committee of the Trust Board meets regularly and approves all expenditure. Please see Note 36.

Pooling Scheme

Any official pooling scheme is operated for investments relating to all Mid Cheshire Hospitals NHS Foundation Trust Charitable Funds. This was registered with the Charity Commission on 8 April 1998.

Joint Arrangements

Arrangements over which Mid Cheshire Hospitals NHS Foundation Trust has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture. There are no joint operations or ventures.

1.4 Pooled budgets

The Trust has not entered into a pooled budget arrangement.

1.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.5.1 Critical judgements in applying accounting policies

There are no critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

1.5.2 Critical accounting judgements and key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the Statement of Financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Valuation of Property, Plant and Equipment Management has estimated the asset values and useful economic lives of land and buildings using guidance given by the District Valuation Office. The values are determined using a Modern Equivalent Asset (MEA) alternative site and/or accommodation basis. This considers the likely position and design of the hospitals if they were constructed

now. The valuer considered the differing internal space requirements taking into account; space, efficiencies and changes in technology, as opposed to what is currently physically occupied. The valuation assumed that the sites should have the same service potential as the existing assets. In addition, the site of the MEA may not be necessarily in the same location as the existing assets and therefore alternative sites have been considered.

In determining the fair value for non-specialised operational assets Existing Use Value has been used and for specialised operational assets as there is no market based evidence, Depreciated Replacement Cost has been used. The District Valuer has taken into account such factors as deterioration and technical obsolescence when determining the Modern Equivalent Asset valuation. Any deviation in these estimations could significantly impact on depreciation, impairments and the Public Dividend Capital Dividend.

1.6 Revenue from contracts with customers

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

In the adoption of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows;

- As per paragraph 121 of the Standard Mid Cheshire Hospitals NHS Foundation Trust will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less, and
- Mid Cheshire Hospitals NHS Foundation Trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.

The main source of revenue for Mid Cheshire Hospitals NHS Foundation Trust is contracts with commissioners in respect of healthcare services. Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation. At the year end, Mid Cheshire Hospitals NHS Foundation Trust accrues income relating to performance obligations satisfied in that year. Where a patient care spell is incomplete at the year end, revenue relating to the partially complete spell is accrued in the same manner as

other revenue. Income from commissioners relating from healthcare are satisfied on set days of the month.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred. The method adopted to assess progress towards the complete satisfaction of a performance obligation is if over time and extends into the following year, the amount this equates to will be deferred. If the obligation is one which requires the trust to fully complete the obligation then the whole of the income is deferred.

Mid Cheshire Hospitals NHS Foundation Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. Mid Cheshire Hospitals NHS Foundation Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset. Income is received when the Compensation Recovery Unit has received the income from the insurance companies.

The Trust sells a small volume of goods to a few organisations. The income is recognised when the goods have been received by the purchasing organisation. The payment terms for these goods are 30 days from date of invoice.

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.

Income from the Provider Sustainability Fund (PSF) enables NHS providers to earn income linked to the achievement of financial controls and performance targets. Access to both the general and targeted elements of PSF are unlocked as NHS providers meet their financial control totals. At each quarter, a minimum of 70% of allocated funding will be released upon achievement of the financial control total, with up to a further 30% released where a provider also meets its agreed trajectories for delivery of operational standards. The PSF payment is based on performance in the quarter to the agreed control totals and operational standards, a reassessment of the variable consideration and thus change in transaction price is appropriate once management information develops sufficient evidence that performance targets are achieved. The trust can then accrue for the PSF revenue which confirms amounts allocated to a satisfied performance obligation shall be recognised as revenue in the period in which the transaction price changes.

PSF payments will be made by NHS England. Payments

for the first three quarters of the financial year will be made in arrears, based on actual performance. At the financial year end, the trust will recognise accrued income for the final quarter, following any guidance issued on 2018-19 arrangements.

Health Education England commissions a broad range of education and training services from the Trust to ensure that the staff of the Trust, have the relevant qualifications and the necessary skills, aptitudes and experience to do their job effectively, efficiently and in the best interests of patients. Payments are made in accordance with agreed education and training volumes e.g. commissioned trainee and placement numbers, and the pricing schedule

Interest income is accrued on a time basis, by reference to the principal outstanding and interest rate applicable.

Other sources of significant income are Staff Accommodation, Catering Income, Staff & Visitors car parking fees which are recognized over time.

1.7 Expenditure on Employee Benefits

Short-Term Employee Benefits

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees, including non-consolidated performance pay earned but not yet paid. 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 Pensions Schemes. These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes 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, the schemes are accounted for as though they were defined contribution schemes: the cost to Mid Cheshire Hospitals NHS Foundation Trust of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time Mid Cheshire Hospitals NHS Foundation Trust commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

Employers pension cost contributions are charged to operating expenses as and when they become due.

1.8 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.

1.9 Property, plant and equipment

Capitalisation

Property, plant and equipment is capitalised if they are capable of being used for a period which exceeds one year and they:

- Individually have a cost of at least £5,000; or
- Collectively have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are and its under single managerial control; or
- Form part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost;
- 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; and
- The cost of the item can be measured reliably.

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

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. Land and buildings are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial Position date. Fair values are determined as follows:

- Land and non-specialised buildings – market value

for existing use

- Specialised buildings – depreciated replacement cost, modern equivalent asset basis (MEA).

The Trust uses the District Valuation Office as independent valuers to complete an assessment of the valuation of land and buildings. The Trust last a full revaluation of the buildings was as at 31 March 2018. The Trust, in this valuation as at 31 March 2019, used a MEA alternative site and/or accommodation basis. This considers the likely position and design of the hospitals if they were constructed now. The valuer considered the differing internal space requirements taking into account; space, efficiencies and changes in technology, as opposed to what is currently physically occupied. The valuation assumed that the sites should have the same service potential as the existing assets. In addition, the site of the MEA may not be necessarily in the same location as the existing assets and therefore alternative sites have been considered.

It is the opinion of the qualified external valuer that the value for existing use of the property has been primarily derived using the depreciated replacement cost approach because of the specialised nature of the asset means that there are no market transactions of this type of asset except as part of the business or entity.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value. An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued a fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

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.

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 it is credited to expenditure to the extent of the decrease previously charged there.

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'.

1.10 Intangible fixed assets

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 an asset can be measured reliably.

Intangible assets are capitalised when they have a cost of at least £5,000. Intangible assets acquired separately are initially recognised at cost.

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- The project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- The Trust intends to complete the asset and sell or use it;
- The Trust has the ability to sell or use the asset;
- How the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- Adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset; and
- The Trust can measure reliably the expenses attributable to the asset during development.

There was no such expenditure requiring capitalisation at the Statement of Financial Position date. Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred. NHS foundation trusts disclose the total amount of research and development expenditure charged in the Statement of Comprehensive Income separately.

However, where research and development activity cannot be separated from patient care activity it cannot be identified and is therefore not separately disclosed.

Software which is integral to the operation of hardware e.g. 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 e.g. application software, is capitalised as an intangible asset.

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

Revaluations and impairments are treated in the same manner as for property, plant and equipment.

1.11 Depreciation, amortisation and impairments

Land and assets under construction are not depreciated.

Otherwise, depreciation and amortisation are charged on a straight line basis to write off the costs or valuation of tangible and intangible non-current assets, less any residual value, over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. The estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives or, where shorter, the lease term.

At each Statement of Financial Position date, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are

tested for impairment annually.

In accordance with the DH GAM, impairments that arise from a clear consumption of economic benefits or 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 service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are credited to expenditure to the extent 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.

Buildings and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the NHS Foundation Trust's Professional Valuers.

The estimated life of buildings ranges between 5 to 90 years.

Plant and Equipment are depreciated evenly over the estimated life of the asset, as follows:

- Plant and Equipment – 1 to 15 years
- Information Technology – 1 to 10 years
- Furniture & Fittings – 1 to 13 years

1.12 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 i.e.:
 1. Management are committed to a plan to sell the asset;
 2. An active programme has begun to find a buyer and complete the sale;
 3. The asset is being actively marketed at a reasonable price;
 4. The sale is expected to be completed within 12 months of the date of classification as "Held for Sale"; and
 5. The actions needed to complete the plan indicate

it is unlikely that the plan will be dropped or significant changes made to it.

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

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

1.13 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.14 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the donation/grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.15 Revenue government and other grants

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.16 Leases

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

The Trust as lessee

Amounts held under finance leases are initially recognised as an asset at the inception of the lease at fair value or, if lower, at the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The asset is recorded as property, plant and equipment with a matching liability for the

lease obligation to the lessor at the commencement of the lease. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are charged directly to the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Operating 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.

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The Trust as lessor

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

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.17 Private Finance Initiative (PFI) transactions

The Trust has not entered into any PFI transactions.

1.18 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.19 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.

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 Mid Cheshire Hospitals NHS Foundation Trust cash management. Cash, bank and overdraft balances are recorded at current values.

Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "interest receivable" and "interest payable" in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.20 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation as a result of a past event, 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 which are 0.29% for 2018/19 (0.10% for 2017/18).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.21 Clinical Negligence Costs

The NHS Resolution operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHS Resolution which in return settles all clinical negligence claims. Although the 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 the NHS Resolution on behalf of the Trust is disclosed at Note 22 but is not recognised in the Trust's accounts.

Since financial responsibility for clinical negligence cases transferred to the NHS Resolution at 1 April 2002, the only charge to operating expenditure in relation to clinical negligence in 2017/18 relates to the Trust's contribution to the Clinical Negligence Scheme for Trusts.

1.22 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 the 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 as and when the liability arises.

1.23 Contingencies

A contingent liability is:

- A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Mid Cheshire Hospitals NHS Foundation Trust, or
- A present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably.

A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Mid Cheshire Hospitals NHS Foundation Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

Contingent assets and liabilities are not recognised, but are disclosed in Note 27.

1.24 Financial assets

Financial assets are recognised on the Statement of Financial Position when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred and the trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

Financial assets are initially recognised at fair value

plus or minus directly attributable transaction costs for financial assets not measured at fair value through profit or loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices, where possible, or by valuation techniques.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

Financial assets at amortised cost

Financial assets measured at amortised cost are those held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables, loans receivable, and other simple debt instruments.

After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

Financial assets at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest.

Financial assets at fair value through profit and loss

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or fair value through other comprehensive income. This includes derivatives and financial assets acquired principally for the purpose of selling in the short term.

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the statement of comprehensive income. The net gain or loss incorporates any interest earned on the financial asset.

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that does not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the statement of

comprehensive income on de-recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

Impairment

For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the foundation trust recognises a loss allowance representing expected credit losses on the financial instrument.

The foundation trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

Expected credit losses are the probability weighted losses expected from credit loss events occurring within a defined period. The defined period is the previous year end as at the 31 March 2019, in this instance the invoices raised in 2017/18. For each transaction it is assessed how much of the invoice was paid within twelve months and categorised in the following way:

- 100 percent
- Between 75 and 100 percent
- Between 50 and 75 percent
- Between 25 and 50 percent
- Between 0 and 25 percent
- Zero percent.

A weighted average of these is then applied to all relevant outstanding invoices as at the end of 31st March 2019.

When estimating lifetime expected credit losses in relation to ICR receivables, the GAM instructs NHS providers to include an amount within the credit loss allowances for contract receivables to reflect income that is not expected to be recoverable. Each year, the Compensation Recovery Unit (CRU) advises a

percentage probability of not receiving the income. The updated figure for 2018-19 is 21.89%. If it is material, 21.89% of accrued ICR revenue should be used to calculate expected credit losses

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The foundation trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and [the entity] does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

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

1.25 Financial liabilities

Financial liabilities are recognised when the foundation trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished – that is, the obligation has been discharged or cancelled or has expired.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability. In the case of DHSC loans that would be the nominal rate charged on the loan.

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.26 Value Added Tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of

non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.27 Corporation Tax

The Mid Cheshire Hospitals NHS Foundation Trust is a Health Service body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to disapply the 17 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 in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits exceed £50,000pa. Her Majesty's Revenue and Customs have for some time been considering how best to implement the requirement for Foundation Trusts to pay corporation tax on the profits of certain non-healthcare related activities. A consultation document was issued in August 2008 which put forward the suggestion that the profits from all non-healthcare activities should be aggregated and corporation tax paid thereon. The decision for payment of corporation tax has not been approved and thus there is no tax liability arising in respect of the current financial year.

1.28 Foreign exchange

The functional and presentational currencies of the trust are pounds 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.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- Monetary items (other than financial instruments measured at "fair value
- Through income and expenditure") are translated at the spot exchange rate on 31 March;
- Non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- Non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.29 Third Party Assets

Assets belonging to third parties are not recognised in the

accounts if, in the opinion of the directors,

- The Trust has no beneficial interest in them;
- They are of significant value and therefore justify the administrative costs of maintaining separate bank accounts. In all other cases, third party assets are incorporated within the Trust's other asset and a corresponding liability is included in Creditors.

Details of Third party assets are given in Note 31 to the accounts.

1.30 Public Dividend Capital (PDC) and PDC Dividend

Public dividend capital is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, 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.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health and Social Care as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the trust. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

- Donated assets (including lottery funded assets)
- Average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits (excluding cash balances held in GBS accounts that relate to a short term working capital facility); and
- Any PDC dividend balance receivable or payable.

The average relevant net assets is calculated as a simple average of opening and closing relevant net assets.

In accordance with the requirements laid down by the Department of Health and Social Care, the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts. The PDC dividend calculation is based upon the trust's group accounts (i.e. including subsidiaries), but excluding consolidated charitable funds.

1.31 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 each individual case is handled.

Losses and Special Payments are charged to the relevant functional headings on a cash basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, Note 33 is compiled directly from the losses and compensation register which reports on an accrual basis with the exception of provisions for future losses.

1.32 Transfers of functions between NHS bodies / local government bodies

For functions that have been transferred to the trust from another NHS / local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain/loss corresponding to the net assets/ liabilities transferred is recognised within income/expenses, but not within operating activities.

For property plant and equipment assets and intangible assets, the Cost and Accumulated Depreciation Amortisation balances from the transferring entity's accounts are preserved on recognition in the trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the trust has transferred to another NHS/local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss/gain corresponding to the net assets/liabilities transferred is recognised within expenses/income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

1.33 Operating Segments

Income and expenditure are analysed in the Operating Segments note and are reported in line with management information used within Foundation Trust.

1.34 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.35 Accounting Standards that have been issued but have not yet been adopted

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2018-19. These Standards are still subject to HM Treasury FReM adoption, with IFRS 16 being for implementation in 2019-20, and the government implementation date for IFRS 17 still subject to HM Treasury consideration.

- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet 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.

1.36 Accounting standards, amendments and interpretations issued that have been adopted early

The Trust has not early adopted any new accounting standards, amendments or interpretations

1.37 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

2. Segmental Reporting

The Trust considers the Board of Directors to be the Chief Operating Decision Maker. The Audit Committee has assessed the Trust's position against IFRS 8 and concluded that two operating segments Healthcare and Community are reported to the Board of Directors; however the segments are only shown at the Income Statement level. This recommendation was approved by the Board of Directors during its April 2019 meeting.

	Group			Foundation Trust		
	Total	Community	Other	Total	Community	Other
	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19
	£000	£000	£000	£000	£000	£000
Operating Income						
Operating income from patient care activities:						
Elective Income	30,245	-	30,245	30,245	-	30,245
Non Elective Income	58,918	-	58,918	58,918	-	58,918
First Outpatient Income	12,818	-	12,818	12,818	-	12,818
Follow up Outpatient Income	15,214	-	15,214	15,214	-	15,214
A&E Income	10,515	-	10,515	10,515	-	10,515
High cost drugs income from Commissioner	9,991	-	9,991	9,991	-	9,991
Other NHS Clinical Income	86,668	28,756	57,912	86,668	28,756	57,912
Non NHS Clinical Income	2,706	-	2,706	2,706	-	2,706
Total Patient Care Activity Income	227,075	28,756	198,319	227,075	28,756	198,319
Other Operating Income	29,421	1,771	27,650	29,337	1,771	27,566
Inter trust income	-	-	-	-	-	-
Total Operating Income	256,496	30,527	225,969	256,412	30,527	225,885
Operating Expenses						
Employee expenses - Staff	(175,577)	(21,604)	(153,973)	(175,495)	(21,604)	(153,891)
Supplies and services - clinical	(18,484)	(1,118)	(17,366)	(18,484)	(1,118)	(17,366)
Supplies and services - general	(3,930)	(1,004)	(2,926)	(3,930)	(1,004)	(2,926)
Drug Costs	(17,329)	(35)	(17,294)	(17,329)	(35)	(17,294)
Other operating expenses	(43,475)	(4,695)	(38,780)	(43,404)	(4,695)	(38,709)
Inter Trust Charges	-	(1,473)	1,473	-	(1,473)	1,473
Total Operating expenses	(258,795)	(29,929)	(228,866)	(258,642)	(29,929)	(228,713)
Total Operating Deficit	(2,299)	598	(2,897)	(2,230)	598	(2,828)
Finance Costs:						
Finance Income	114	-	114	101	-	101
Finance expense – financial liabilities	(403)	-	(403)	(403)	-	(403)
Finance expense – unwinding of discount on provisions	(4)	-	(4)	(4)	-	(4)
PDC Dividends paid	(1,953)	-	(1,953)	(1,953)	-	(1,953)
NET FINANCE COSTS	(2,246)	-	(2,246)	(2,259)	-	(2,259)
Other Gains & Losses	4	-	4	-	-	-
DEFICIT FOR THE YEAR	(4,541)	598	(5,139)	(4,489)	598	(5,087)

	Group			Foundation Trust		
	Total	Community	Other	Total	Community	Other
	2017/18	2017/18	2017/18	2017/18	2017/18	2017/18
	£000	£000	£000	£000	£000	£000
Operating Income						
Operating income from patient care activities:						
Elective Income	30,211		30,211	30,211		30,211
Non Elective Income	58,975		58,975	58,975		58,975
First Outpatient Income	12,331		12,331	12,331		12,331
Follow up Outpatient Income	14,939		14,939	14,939		14,939
A&E Income	9,735		9,735	9,735		9,735
High cost drugs income from Commissioner	10,036		10,036	10,036		10,036
Other NHS Clinical Income	80,720	27,805	52,915	80,720	27,805	52,915
Non NHS Clinical Income	2,716		2,716	2,716		2,716
Total Patient Care Activity Income	219,663	27,805	191,858	219,663	27,805	191,858
Other Operating Income	30,466	1,251	29,215	30,473	1,251	29,222
Inter trust income	-	979	(979)	-	979	(979)
Total Operating Income	250,129	30,035	220,094	250,136	30,035	220,101
Operating Expenses						
Employee expenses - Staff	(166,673)	(19,970)	(146,703)	(166,595)	(19,970)	(146,625)
Supplies and services - clinical	(17,444)	(1,154)	(16,290)	(17,444)	(1,154)	(16,290)
Supplies and services - general	(3,968)	(1,103)	(2,865)	(3,968)	(1,103)	(2,865)
Drug Costs	(16,704)	(23)	(16,681)	(16,704)	(23)	(16,681)
Other operating expenses	(26,792)	(4,457)	(22,335)	(26,650)	(4,457)	(22,193)
Inter Trust Charges	-	(2,445)	2,445	-	(2,445)	2,445
Total Operating expenses	(231,581)	(29,152)	(202,429)	(231,361)	(29,152)	(202,209)
Total Operating surplus	18,548	883	17,665	18,775	883	17,892
Finance Costs:						
Finance Income	51	-	51	36	-	36
Finance expense – financial liabilities	(377)	-	(377)	(377)	-	(377)
Finance expense – unwinding of discount on provisions	(2)	-	(2)	(2)	-	(2)
PDC Dividends paid	(1,845)	-	(1,845)	(1,845)	-	(1,845)
NET FINANCE COSTS	(2,173)	-	(2,173)	(2,188)	-	(2,188)
SURPLUS FOR THE YEAR	16,375	883	15,492	16,587	883	15,704

3. Income from Activities

3.1 Operating income from patient care activities by nature comprises:

Group and Foundation Trust		
	2018/19 £000	2017/18 £000
Elective Income	30,245	30,211
Non Elective Income	58,918	58,975
First Outpatient Income	12,818	12,331
Follow up Outpatient Income	15,214	14,939
A&E Income	10,515	9,735
High cost drugs income from Commissioner	9,991	10,036
Other NHS Clinical Income	55,061	52,915
Community Services	28,756	27,805
Income from activities (before private patient income)	221,518	216,947
Other non-protected clinical income	1,199	1,163
Agenda for change pay award	2,851	-
Private patient income	1,507	1,553
Total Activity Income	227,075	219,663

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.

The elective and non-elective income includes the levels of incomplete spells as at 31 March 2019. The calculation is based on all patients who are in a bed at midnight on the 31 March by specialty and point of delivery. This activity is then multiplied by the average spell income for the relevant specialty/point of delivery for that year. The calculation also takes into account any Payment by Results rules with regard to marginal rates and thresholds for non-elective activity. The movement in year impacting on the recognised income is an increase of £8,055. An increase of £167,487 is due to a change in price and a decrease of £159,432 is due to a change in volume.

The Ante-natal pathway income has had an adjustment to reflect incomplete pathways as at 31 March 2019, where the Trust has been paid in full for the complete pathway up front. This calculation is based on all patients

who have started an ante-natal pathway before 31 March 2019 and have not delivered by this date, which is calculated on the basis of the pathway tariff paid at that point multiplied by the percentage of days left of the incomplete pathway based upon on the patient's expected due date. The movement in year impacting the recognised income is a decrease of £57,624.

Included in Other NHS Clinical Income is direct access income for Pathology and Radiology, high cost drugs income and income for screening programmes.

Injury Cost Recovery income is included in 'Other non-protected clinical income'. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual. Injury Cost Recovery income is subject to a provision for doubtful debts of 21.89% (2017/18: 22.84%) to reflect expected rates of collection.

All of the income from activities before private income shown above has arisen from Commissioner requested Services as set out in the foundation trusts provider licence.

3.2 Income from patient care by source comprises:

	2018/19 £000	2017/18 £000
NHS England	7,327	8,958
Clinical Commissioning Groups	212,913	206,971
NHS Foundation Trusts	116	21
NHS Trusts	-	25
Department of Health and Social Care	2,851	-
NHS other (including Public Health England	1,080	972
Non NHS: private patients	1,507	1,553
Non NHS: overseas patients (non-reciprocal, chargeable to patient)	37	69
Injury cost recovery scheme	1,095	1,053
Non NHS: other	149	41
Total income from patient care activities	<u>227,075</u>	<u>219,663</u>

3.3 Overseas visitors (relating to patients charged directly by the Foundation Trust

	2018/19 Total £000	2017/18 Total £000
Income recognised this year	37	69
Cash payments received in-year (relating to invoices raised in current and previous years)	25	25
Amounts added to provision for impairment of receivables (relating to invoices raised in current and prior years)	1	8
Amounts written off in-year (relating to invoices raised in current and previous years)	24	5

3.4 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2018/19 Total £000	2017/18 Total £000
Income from services designated a commissioner requested services	-	-
Income from services not designated a commissioner requested services	221,518	216,947
Total	<u>221,518</u>	<u>216,947</u>

4. Other Operating Income

	Group		Foundation Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Other Operating Income recognised in accordance with IFRS 15:				
Education and training	6,383	6,163	6,383	6,163
Non-patient care services to other bodies	9,904	9,089	9,904	9,089
Provider Sustainability Fund/ Sustainability and Transformation Fund income (PSF/STF)	7,443	9,774	7,443	9,774
Other	4,606	4,241	4,606	4,241
Staff Recharges	124	140	124	140
Other operating income recognised in accordance with other standards:				
Education and training - notional income from apprenticeship fund	169	338	169	338
Received from NHS charities: Cash donations / grants for the purchase of capital assets	-	-	196	263
Received from NHS charities: Other charitable and other contributions to expenditure	-	-	11	11
Received from other bodies: Cash donations / grants for the purchase of capital assets	10	25	10	25
Received from other bodies: Other charitable and other contributions to expenditure	133	114	133	114
Rental Revenue from operating leases	358	315	358	315
NHS Charitable Funds: Incoming Resources excluding investment income	291	267	-	-
Total other operating income	29,421	30,466	29,337	30,473

Other income includes Staff Accommodation, Catering Income, Staff & Visitors car parking fees, Occupational Health Income and Vending Income.

4.1 STF table

	2018/19 £000	2017/18 £000
PSF/STF - core (excluding outstanding appeals)	3,835	4,824
PSF/STF - Incentive Scheme (finance)		1,626
PSF/STF - Incentive Scheme (general distribution)	3,608	1,927
PSF/STF - Incentive Scheme (bonus)	-	1,397
Total	7,443	9,774

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

	Revenue recognised from NHS providers	Revenue recognised from other DHSC group bodies	Revenue recognised from non DHSC group bodies	Total
	2018/19	2018/19	2018/19	2018/19
	£000	£000	£000	£000
Revenue recognised in the reporting period that was previously included in the contract liability balance (i.e. release of deferred IFRS 15 income)	90	31	6	127
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (e.g. changes in transaction price)	-	-	-	-

4.3 Transaction price allocated to remaining performance obligations

The Trust has not entered into any contracts where it expects to recognise revenue where the performance obligations are met in future periods.

4.4 Operating lease income

Group and Foundation Trust		
Operating Lease Income	2018/19 £000	2017/18 £000
Rents recognised in the period	358	315
Total	358	315
Future minimum lease payments due	2018/19 £000	2017/18 £000
On leases of Land expiring		
Not later than one year;	2	2
Later than one year but not later than five years;	9	9
Later than five years.	207	203
Sub Total	218	214
On Leases of Buildings expiring		
Not later than one year;	350	346
Later than one year but not later than five years;	629	942
Later than five years.	-	-
Sub Total	979	1,288
Total	1,197	1,502

The Trust generates income from a small number of non-cancellable operating leases relating to the short term lease of accommodation and the lease of land to non-NHS bodies.

5. Operating Expenses

5.1 Group operating expenses comprise:

	Group		Foundation Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Employee expenses – Staff and Executive Directors'	175,340	166,441	175,340	166,441
Employee expenses - Non-Executives' Costs	155	154	155	154
NHS Charitable funds - employee expenses	82	78	-	-
Supplies and services - clinical	17,789	17,443	17,789	17,443
Depreciation on property, plant and equipment	5,074	4,575	5,074	4,575
Amortisation of intangible assets	226	297	226	297
Impairments net of (reversals)	5,499	(10,471)	5,499	(10,471)
Premises - business rates payable to local authorities	1,052	1,017	1,052	1,017
Premises	10,973	9,325	10,973	9,325
Inventories written down	81	38	81	38
Drug Costs (non-inventory costs)	259	307	259	307
Drug Costs (inventories consumed)	16,989	16,359	16,989	16,359
Clinical negligence	6,135	7,197	6,135	7,197
Other	1,715	2,331	1,715	2,331
NHS Charitable funds: Other resources expended	67	138	-	-
Consultancy services	148	221	148	221
Supplies and services – general	3,930	3,968	3,930	3,968
Printing, stationery, travel & recruitment advertising	1,824	1,764	1,824	1,764
Services from NHS bodies	4,237	4,116	4,237	4,116
Transport (business travel only)	743	771	743	771
Transport (other including Patient Travel)	805	952	805	952
Rentals under operating lease	1,134	887	1,134	887
Auditor's remuneration	51	53	51	53
Audit-related assurance services	18	17	18	17
Other Auditor's remuneration	-	-	-	-
Audit services - charitable fund accounts	4	4	-	-
Internal Audit	103	99	103	99
Purchase of healthcare from non-NHS bodies	3,175	2,154	3,175	2,154
Provision for impairment of receivables (including provision against Road Traffic income)	289	289	289	289
Legal Fees	137	19	137	19
Hospitality	8	13	8	13
Redundancies	-	-	-	-
Training Courses and Conferences	315	368	315	368
Education and training - notional expenditure funded from apprenticeship fund	169	338	169	338
Insurances	159	173	159	173
Other services	132	120	132	120
Change in provisions discount rate(s)	(28)	23	(28)	23
Losses, ex gratia and special payments	6	3	6	3
Total	258,795	231,581	258,642	231,361

5.2 Auditor's Remuneration

The analysis of auditor's remuneration is as follows:

	Group		Foundation Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Fees payable to the auditor for the audit of the Trust's annual accounts	51	53	51	53
Audit-related assurance services	18	17	18	17
Audit services - charitable fund accounts	4	4	-	-
Total audit fees	73	74	69	70

Audit-related assurance services relates to the audit of the Quality Accounts.

5.3 Operating leases

5.3.1 Operating lease receipts recognised in income

Group and Foundation Trust				
	2018/19 Buildings £000	2018/19 Plant and Machinery £000	2018/19 Other £000	2018/19 Total £000
Lease payments	-	696	438	1,134
Total	-	696	438	1,134
	2017/18 Buildings £000	2017/18 Plant and Machinery £000	2017/18 Other £000	2017/18 Total £000
Lease payments	-	752	135	887
Total	-	752	135	887

There are no significant leasing arrangements included in the above. The increase in other is due to the foundation trust entering into leasing arrangements for the supply of personal computers.

5.3.2 Operating lease - future minimum lease receipts due

Group and Foundation Trust				
	2018/19 Buildings £000	2018/19 Plant and Machinery £000	2018/19 Other £000	2018/19 Total £000
Future non-cancellable minimum lease payments due:				
Not later than one year;	-	628	1,024	1,652
Later than one year and not later than five years;	-	1,048	2,300	3,348
Later than five years.	-	5	-	5
Total	-	1,681	3,324	5,005

Included in other lease arrangements are lease cars. In addition the Trust introduced a car Salary Sacrifice scheme for staff and the commitment is included, however these costs are recovered via a monthly reduction in salary. In addition the Trust acquired the Community Care contract for the South Cheshire CCG and Vale Royal areas in October 2016. The community services teams occupy a number of premises which the Trust does not own. At the balance sheet date there were no formal leasing agreements signed for these premises, however over the remaining life of the contract the minimum payments would be circa £4,000,000 which have not been included in the figures above, however the costs for the 12 months have been recognised in expenditure.

	2017/18 Buildings £000	2017/18 Plant and Machinery £000	2017/18 Other £000	2017/18 Total £000
Future non-cancellable minimum lease payments due:				
Not later than one year;	-	536	359	895
Later than one year and not later than five years;	-	1,150	326	1,476
Later than five years.	-	-	-	-
Total	-	1,686	685	2,371

5.4 Senior Manager remuneration and benefits

The table for the senior manager remuneration and benefits can be found in the annual report.

6. Staff Costs and Numbers

6.1 Staff Costs

	Group		Foundation Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Salaries and wages	141,112	135,147	141,112	135,147
Social Security Costs	11,930	11,468	11,930	11,468
Apprenticeship Levy	617	642	617	642
Employer contributions to NHS Pensions Scheme	15,841	15,060	15,841	15,060
Pension cost - other	42	19	42	19
Termination Benefits	-	-	-	-
Temporary Staff - Agency and contract staff	6,079	4,376	6,079	4,376
NHS Charitable funds staff	82	78	-	-
Total Gross Staff Costs	175,703	166,790	175,621	166,712
Of which				
Costs capitalised as part of assets	(281)	(271)	(281)	(271)
Total Employee benefits excluding Capitalised Costs	175,422	166,519	175,340	166,441
Analysed into Operating Expenses (5.1 Op Ex)				
Employee Expenses – Staff and Executive directors	175,340	166,441	175,340	166,441
NHS Charitable funds: Employee expenses	82	78	-	-
Redundancy	-	-	-	-
Total Employee benefits excl. capitalised costs	175,422	166,519	175,340	166,441

Staff costs exclude Non-Executive Directors.

6.2 Average number of persons employed (whole time equivalents)

Group and Foundation Trust

	Total 2018/19 Number	Other permanent employees Number	Directors Number	Other Number	Total 2017/18 Number
Medical & Dental	351	341	-	10	352
Administration & estates	907	875	7	25	895
Healthcare Assistants & other support staff	674	577	-	97	655
Nursing, midwifery & health visiting staff	1,179	1,070	-	109	1,174
Scientific, therapeutic and technical staff	381	363	-	18	360
Healthcare Science Staff	347	346	-	1	335
Other	326	292	-	34	326
Total average numbers	4,165	3,864	7	294	4,097
of which					
WTE engaged on capital projects	7	7	-	-	6

6.3 Employee Benefits

The Trust operates a number of schemes relating to the use of cars, all these schemes apportion costs in such a way to ensure that employees pay a fair rate for private mileage.

6.4 Retirements due to ill-health

During 2018/19 there were 2 (2017/18: 3) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £125,000 (2017/18: £137,000). The cost of these ill-health retirements will be borne by the NHS Business Services Authority – Pensions Division.

6.5 Pension costs

6.5.1 NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health 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 latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

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

6.5.2 National Employment Savings Trust

The Pensions Act 2008 requires every employer to automatically enrol eligible workers into a qualifying pension scheme and pay contributions. For those employees who do not wish to be enrolled into the NHS Pension scheme the National Employment Savings Trust (NEST) is offered as an alternative. NEST is a defined contribution pension scheme.

NEST Corporation is the Trustee body that has overall responsibility for running NEST, it's a non-departmental public body that operates at arm's length from government and is accountable to Parliament through the Department of Work and Pensions (DWP).

NEST levies a contribution charge of 2.0% and an annual management charge of 0.6% which is paid for from the employee contributions. There are no separate employer charges levied by NEST.

6.6 Reporting of other compensation schemes - exit packages

Group and Foundation Trust								
Exit Package Cost Band (Including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departure Where Special Payments Were Made	Cost of Special Payment Element Included in Exit Packages
	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s
Less than £10,000			7.00	18,465	7.00	18,465		
£10,000 - £25,000								
£25,001 - £50,000								
£50,001 - £100,000								
£100,001 - £150,000								
£150,001 - £200,000								
>£200,000								
Total	-	-	7.00	18,465	7.00	18,465	-	-

Exit Package Cost Band (Including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departure Where Special Payments Were Made	Cost of Special Payment Element Included in Exit Packages
	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s	Whole Numbers Only	£'s
Less than £10,000			14.00	48,737	14.00	48,737		
£10,000 - £25,000			1.00	15,172	1.00	15,172		
£25,001 - £50,000								
£50,001 - £100,000								
£100,001 - £150,000								
£150,001 - £200,000								
>£200,000								
Total	-	-	15.00	63,909	15.00	63,909	-	-

The Trust has offered staff a mutually agreed resignation scheme where the Trust may offer a financial package to a member of staff who wishes to leave their employment on voluntary terms. To be eligible the applicant must be permanently employed by the Trust and have a minimum of two years continuous service. The figures in brackets are those for 2017/18.

6.7 Exit packages: other (non-compulsory) departure payments

	2018/19	2018/19	2017/18	2017/18
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Contractual payments in lieu of notice	7	19	15	64
Exit payments following Employment Tribunals or court orders	-	-	-	-
Total	7	19	15	64

There are no non-contractual payments made to individuals where the payment value was more than 12 months' of their annual salary.

7. The Late Payment of Commercial Debts (Interest) Act 1998

The Trust paid £770 for the year ended 31 March 2019 (2017/18:£1,053) under the Late Payment of Commercial Debts (Interest) Act 1998.

8. Finance Income

	Group		Foundation Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Interest on bank accounts	101	36	101	36
NHS Charitable funds: investment income	13	15	-	-
Total	114	51	101	36

9. Finance Costs

9.1 Finance Cost

Group and Foundation Trust		
	2018/19 £000	2017/18 £000
Interest on obligations under finance lease	194	179
Interest on loans from the Department of Health – Capital Loans	133	89
Interest on loans from the Department of Health – Revenue Support	75	108
Interest on the late payment of commercial debt	1	1
Unwinding of discount on provisions	4	2
Total	407	379

9.2 Impairment of Assets

Group and Foundation Trust			
	Net Impairment (Reversal) £000	2018/19 Impairment £000	Reversals £000
Changes in market price	5,499	5,500	(1)
Total Impairments charged to operating surplus	5,499	5,500	(1)
Impairments charged to the revaluation reserve	2,127	2,127	-
Total Impairments/(Reversal)	7,626	7,627	(1)

Group and Foundation Trust			
	Net Impairment £000	2017/18 Impairment £000	Reversals £000
Unforeseen Obsolescence	-	-	-
Changes in market price	(10,471)	1,987	(12,458)
Total Impairments charged to operating surplus	(10,471)	1,987	(12,458)
Impairments charged to the revaluation reserve	426	426	-
Total Impairments	(10,045)	2,413	(12,458)

Land, Buildings and Dwellings have been revalued as at 31st March 2019, any impairments and reversal of impairments above relate to this revaluation.

10. Intangible Fixed Assets

	Software Licences 2018/19 £000	Assets Under Construction 2018/19 £000	Total 2018/19 £000
Gross cost at 1 April 2018	3,259	76	3,335
Additions purchased	762	6	768
Additions - Donated	-	-	-
Reclassifications	301	(76)	225
Disposals	-	-	-
Gross cost at 31 March 2019	4,322	6	4,328
Amortisation at 1 April 2018	2,675	-	2,675
Provided during the year	226	-	226
Disposals	-	-	-
Amortisation at 31 March 2019	2,901	-	2,901
Net book value			
- Total purchased at 1 April 2018	584	76	660
- Total purchased at 31 March 2019	1,421	6	1,427

	Software Licences 2017/18 £000	Assets Under Construction 2017/18 £000	Total 2017/18 £000
Gross cost at 1 April 2017	3,288	-	3,288
Additions purchased	66	76	142
Additions - Donated	-	-	-
Disposals	(95)	-	(95)
Gross cost at 31 March 2018	3,259	76	3,335
Amortisation at 1 April 2017	2,473	-	2,473
Provided during the year	297	-	297
Disposals	(95)	-	(95)
Amortisation at 31 March 2018	2,675	-	2,675
Net book value			
- Total purchased at 1 April 2017	815	-	815
- Total purchased at 31 March 2018	584	76	660

The reclassification is the transfer from intangible assets under construction to intangibles. All intangible assets relate to purchased software licences.

10.1 Intangible assets financing

	Software Licences 2018/19	Assets Under Construction 2018/19 £000	Total 2018/19
NBV - Purchased at 31 March 2019	1,421	6	1,427
NBV - Finance leases at 31 March 2019	-	-	-
NBV - Donated and government grant funded at 31 March 2019	-	-	-
NBV total at 31 March 2019	1,421	6	1,427

	Software Licences 2017/18	Assets Under Construction 2017/18 £000	Total 2017/18
NBV - Purchased at 31 March 2018	563	76	639
NBV - Finance leases at 31 March 2018	-	-	-
NBV - Donated and government grant funded at 31 March 2018	21	-	21
NBV total at 31 March 2018	584	76	660

10.2 Economic life of Intangible Assets

The economic life of the intangible assets ranges from three to seven years and amortised on a straight line basis.

11. Property, Plant and Equipment

11.1 Property, plant and equipment at the Statement of Financial Position date comprise the following elements:

	Group and Foundation Trust							Total
	Land	Buildings Excluding dwellings	Dwellings	Assets under construction & payments on account	Plant and Machinery	Information Technology	Furniture & Fittings	
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2018	3,540	80,062	2,512	861	17,242	5,402	222	109,841
Additions – purchased		4,755	75	830	7	866	60	6,593
Additions – leased	-	-	-	-	1,008	-	-	1,008
Additions – Donations of physical assets	-	-	-	-	-	-	-	-
Additions - assets purchased from cash donations / grants	-	-	-	-	206	-	-	206
Impairments charged to operating expenses		(5,500)		-	-	-	-	(5,500)
Impairments charged to revaluation reserve	(383)	(1,549)	(195)	-	-	-	-	(2,127)
Reversal of impairments credited to operating expenses		(2,626)	-	-	-	-	-	(2,626)
Revaluations		(24)	-	-	-	-	-	(24)
Reclassifications	-	609	-	(863)		29	-	(225)
Disposals	-	-	-	-	(1,794)	(1,881)	(90)	(3,765)
Cost or valuation at 31 March 2019	3,157	75,727	2,392	828	16,669	4,416	192	103,381
Accumulated depreciation at 1 April 2018	-	-	-	-	9,417	4,297	152	13,866
Provided during the year	-	2,567	102	-	1,898	476	31	5,074
Reversal of impairments to credited to operating expenses	-	(2,525)	(102)	-	-	-	-	(2,627)
Revaluation	-	(42)	-	-	-	-	-	(42)
Disposals	-	-	-	-	(1,794)	(1,881)	(90)	(3,765)
Accumulated depreciation at 31 March 2019	-	-	-	-	9,521	2,892	93	12,506
Net Book Value								
NBV - Purchased at 31 March 2018	3,540	77,280	2,512	861	663	1,105	70	86,031
NBV – Finance Lease at 31 March 2018	-	-	-	-	6,284	-	-	6,284
NBV - Donated at 31 March 2018	-	2,782	-	-	878	-	-	3,660
NBV total at 31 March 2018	3,540	80,062	2,512	861	7,825	1,105	70	95,975
Net Book Value								
NBV - Purchased at 31 March 2019	3,157	73,186	2,392	828	508	1,524	99	81,694
NBV – Finance Lease at 31 March 2019	-	-	-	-	5,828	-	-	5,828
NBV - Donated at 31 March 2019	-	2,541	-	-	812	-	-	3,353
NBV total at 31 March 2019	3,157	75,727	2,392	828	7,148	1,524	99	90,875

In 2018/19 land and buildings were revalued using a Modern Equivalent Asset (MEA) alternative site and/or accommodation basis. The Trust using the District Valuer's advice considered the likely position and design of the hospitals if they were constructed now. The Trust considered the differing internal space requirements taking into account; space efficiencies and changes in technology, as opposed to what is currently physically occupied. The valuation assumed that the sites should have the same service potential as the existing assets. The valuation decreased the value of land and buildings by £7,608K. An impairment of £5,500K was made to the Operating Expenditure, reflecting the difference between the downward valuation and the balance in the revaluation reserve. The net decrease to the revaluation reserve was £2,109K.

	Group and Foundation Trust							
	Land	Buildings Excluding dwellings	Dwellings	Assets under construction & payments on account	Plant and Machinery	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017	3,157	66,941	1,970	1,354	16,465	4,918	222	95,027
Additions – purchased	-	1,302		861	92	554	-	2,809
Additions – leased	-	-	-	-	1,353	-	-	1,353
Additions – Donations of physical assets	-	-	-	-	-	-	-	-
Additions - assets purchased from cash donations / grants	-	-	-	-	70	-	-	70
Impairments charged to operating expenses	-	(1,667)	(320)	-	-	-	-	(1,987)
Impairments charged to revaluation reserve	-	(426)	-	-	-	-	-	(426)
Reversal of impairments credited to operating expenses	-	9,110	-	-	-	-	-	9,110
Revaluations	383	3,619	862	-	-	-	-	4,864
Reclassifications	-	1,183		(1,354)		171	-	-
Disposals	-	-	-	-	(738)	(241)	-	(979)
Cost or valuation at 31 March 2018	3,540	80,062	2,512	861	17,242	5,402	222	109,841
Accumulated depreciation at 1 April 2017	-	1,990	79	-	8,328	4,131	122	14,650
Provided during the year	-	2,230	81	-	1,827	407	30	4,575
Reversal of impairments to credited to operating expenses	-	(3,348)	-	-	-	-	-	(3,348)
Revaluation	-	(872)	(160)	-	-	-	-	(1,032)
Disposals	-	-	-	-	(738)	(241)	-	(979)
Accumulated depreciation at 31 March 2018	-	-	-	-	9,417	4,297	152	13,866
Net Book Value								
NBV - Purchased at 31 March 2017	3,157	62,578	1,891	1,354	756	774	100	70,610
NBV – Finance Lease at 31 March 2017	-	-	-	-	6,366	13	-	6,379
NBV - Donated at 31 March 2017	-	2,373	-	-	1,015	-	-	3,388
NBV total at 31 March 2017	3,157	64,951	1,891	1,354	8,137	787	100	80,377
Net Book Value								
NBV - Purchased at 31 March 2018	3,540	77,280	2,512	861	663	1,105	70	86,031
NBV – Finance Lease at 31 March 2018	-	-	-	-	6,284	-	-	6,284
NBV - Donated at 31 March 2018	-	2,782	-	-	878	-	-	3,660
NBV total at 31 March 2018	3,540	80,062	2,512	861	7,825	1,105	70	95,975

11.2 Economic life of property, plant and equipment

Group and Foundation Trust		
	Min Life	Max Life
Buildings excluding dwellings	5	90
Dwellings	21	50
Assets under construction	-	-
Plant & machinery	1	15
Information Technology	1	10
Furniture and Fittings	1	13

Land is treated as having an infinite life and other than assets under construction property, plant and equipment is depreciated on a straight line basis.

11.3 Assets held at open market value

At the Statement of Financial Position date there was no land, buildings or dwellings valued at open market value.

12. Other Investments

	Group	Foundation Trust
	NHS Charitable Funds: Other investments 2018/19 £'000	NHS Charitable Funds: Other investments 2018/19 £'000
Carrying Value 1 April 2018	590	-
Acquisitions in year - other	146	-
Movement in fair value of Available-for-sale financial assets recognised in Other Comprehensive Income	13	-
Disposals	(127)	-
Carrying Value 31 March 2019	622	-

	Group	Foundation Trust
	NHS Charitable Funds: Other investments 2017/18 £'000	NHS Charitable Funds: Other investments 2017/18 £'000
Carrying Value 1 April 2017 (restated)	585	-
Acquisitions in year - other	114	-
Movement in fair value of Available-for-sale financial assets recognised in Other Comprehensive Income	(7)	-
Disposals	(102)	-
Carrying Value 31 March 2018	590	-

13. Non-current Assets Held for Sale and Assets in Disposal Groups

There are no non-current assets held for sale or assets in disposal groups for 2018/19 or 2017/18.

14. Inventories

Inventory Movements 2018/19	Group and Foundation Trust				
	Drugs £000	Consumables £000	Energy £000	Other £000	Total £000
Carrying value at 1 April	1,113	2,192	97	54	3,456
Additions	17,377	15,133	87	636	33,233
Inventories recognised in expense	(16,989)	(15,104)	(51)	(633)	(32,777)
Write down of inventories recognised in expense	(81)	-	-	-	(81)
Carrying value at 31 March	1,420	2,221	133	57	3,831

Inventory Movements 2017/18	Group and Foundation Trust				
	Drugs £000	Consumables £000	Energy £000	Other £000	Total £000
Carrying value at 1 April	1,085	2,020	119	71	3,295
Additions	16,425	13,994	(13)	552	30,958
Inventories recognised in expense	(16,359)	(13,822)	(9)	(569)	(30,759)
Write down of inventories recognised in expense	(38)	-	-	-	(38)
Carrying value at 31 March	1,113	2,192	97	54	3,456

The other category includes wheelchairs which are part of the Community Services contract.

15. Trade and Other Receivables

Group	2019 £000	2018 £000
Current:		
Contract Receivables Invoiced	3,038	-
Contract Receivables not yet invoice/non invoiced	7,318	-
NHS Trade receivables (comparative only)	-	11,220
Other Trade Receivables (comparative only)	-	1,864
Allowance for impaired contract receivables / assets	(289)	-
Allowance for impaired other receivables	-	(300)
Prepayments	2,219	1,830
PDC Receivable	197	55
VAT Receivable	142	139
Other receivables	237	447
NHS Charitable funds: Trade and other receivables	307	298
Total current trade and other receivables	13,169	15,553
Non-current:		
Contract Receivables Invoiced	284	-
Contract Receivables not yet invoice/non invoiced	521	-
Other receivables (comparative only)	-	494
Allowance for impaired contract receivables / assets	(212)	-
Allowance for impaired other receivables	-	(211)
Total non-current trade and other receivables	593	283
Total trade and other receivables	13,762	15,836

Foundation Trust	2019 £000	2018 £000
Current:		
Contract Receivables Invoiced	3,038	-
Contract Receivables not yet invoice/non invoiced	7,318	-
NHS Trade receivables (comparative only)	-	11,220
Other Trade Receivables (comparative only)	-	1,864
Allowance for impaired contract receivables / assets	(289)	-
Allowance for impaired other receivables (comparative only)	-	(300)
Prepayments	2,219	1,830
PDC Receivable	197	55
VAT Receivable	142	139
Other receivables	296	504
Total current trade and other receivables	12,921	15,312
Non-current:		
Contract Receivables Invoiced	284	-
Contract Receivables not yet invoice/non invoiced	521	-
Other receivables (comparative only)	-	494
Allowance for impaired contract receivables / assets	(212)	-
Allowance for impaired other receivables	-	(211)
Total non-current trade and other receivables	593	283
Total trade and other receivables	13,514	15,595

The Trusts receives payments from its customers based on an invoice schedule, as established in the contract. The contract receivable are recognised when the right to consideration has become unconditional. The main movement in Trade and Other Receivables is due to a decrease in the Strategic Transformation Fund/Provider Strategic Fund accrual between the two financial years.

15.1 Allowances for credit losses (doubtful debts) - 2018/19

	2018/19 £000
Allowance for credit losses at 1 April 2018 - brought forward (before IFRS 9 and IFRS 15 implementation)	511
Impact of IFRS 9 (and IFRS 15) implementation on 1 April 2018 balance	(68)
New allowances arising	311
Changes in the calculation of existing allowances	(1)
Reversals of allowances (where receivable is collected in-year)	(18)
Utilisation of allowances (where receivable is written off)	(231)
Changes arising following modification of contractual cash flows	(3)
Total allowance for credit losses at 31 March 2019	501
Loss recognised in expenditure	289

Included above is a £321,968 which is based on 21.89% on the outstanding receivables from the Compensation Recovery Unit. The allowances written off of £231,000 relate to Injury Cost Recovery debts instructed by the Compensation Recovery Unit.

15.2 Allowances for credit losses (doubtful debts) - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	2017/18 £000
At 1 April	424
Increase in provision	343
Amounts utilised	(202)
Unused amounts reversed	(54)
At 31 March	511

Included above is a £321,197 which is based on 22.84% on the outstanding receivables from the Compensation Recovery Unit.

16. Other Financial Assets

The Group and Foundation Trust have no other financial assets as at 31 March 2019 or 31 March 2018.

17. Other Current Assets

The Group and Foundation Trust have no other current assets as at 31 March 2019 or 31 March 2018.

18. Trade and Other Payables

18.1 Trade and other payables at the Statement of Financial Position date are made up of:

Group

	31 March 2019 £000	31 March 2018 £000
Current:		
Trade Payables - NHS	3,786	3,331
Trade Payables - NHS pensions	2,175	2,005
Trade Payables - Other	6,342	5,495
Trade payables capital	710	584
Social Security costs	1,886	1,774
Other taxes payable	1,446	1,338
Other payables	61	67
Accrued Interest DH Loans	-	29
PDC dividend payables	-	-
Accruals	3,721	2,993
NHS Charitable funds: Trade and other payables	13	-
Total current trade and other payables	20,140	17,616

	31 March 2019 £000	31 March 20178 £000
Non-current:		
Other payables	-	-
Total non-current trade and other payables	-	-
	20,140	17,616

Foundation Trust

	31 March 2019 £000	31 March 2018 £000
Current:		
Trade Payables - NHS	3,786	3,331
Trade Payables - NHS pensions	2,175	2,005
Trade Payables - Other	6,342	5,495
Trade payables capital	710	584
Social Security costs	1,886	1,774
Other taxes payable	1,446	1,338
Other payables	61	67
Accrued Interest DH Loans	-	29
PDC dividend payables	-	-
Accruals	3,721	2,993
Total current trade and other payables	20,127	17,616

	31 March 2019 £000	31 March 2018 £000
Non-current:		
Other payables	-	-
Total non-current trade and other payables	-	-
	20,127	17,616

19. Other Liabilities

Group and Foundation Trust

	31 March 2019 £000	31 March 2018 £000
Current		
Deferred income	1,650	1,067
Total current liabilities	1,650	1,067

Deferred income relates to payments received in advance of performance under the contract. Deferred income is recognised as revenue as performance is satisfied under the contract.

Included in the balance is £991,861 (2017/18: £934,237) relating to Maternity income. The main movement is due to a payment made for services to be provided in April.

20. Borrowings

Group and Foundation Trust

	31 March 2019 £000	31 March 2018 £000
Current		
Capital loans from the Department of Health	546	401
Working capital loans from the Department of Health	5,008	-
Other Loans	56	56
Obligations under finance lease	1,243	1,505
Total current borrowings	6,853	1,962
Non-current		
Capital loans from the Department of Health	8,049	6,987
Working capital loans from the Department of Health	-	4,997
Other Loans	-	56
Obligations under finance lease	3,502	4,185
Total non-current borrowings	11,551	16,225

Other loans relate to a loan for the funding of environmental schemes where the funding is provided up front and paid back over the payback period of the scheme.

21. Finance Lease Obligations

Group and Foundation Trust		
	31 March 2019	31 March 2018
Minimum Lease Payments	£000	£000
Gross liabilities	5,110	6,059
of which liabilities are due		
-not later than 1 year	1,304	1,643
-later than 1 year but not later than 5 years	3,463	4,139
-later than five years	343	277
Finance charges allocated to future periods	(365)	(369)
Net lease liabilities	4,745	5,690
-not later than 1 year	1,243	1,505
-later than 1 year but not later than 5 years	3,184	3,921
-later than five years	318	264
	4,745	5,690

All the finance lease obligations relate to plant and equipment.

22. Provisions

Group and Foundation Trust				
	Current		Non-Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Legal Claims	65	102	-	-
Pensions - Early departure costs	68	73	591	705
Pensions – Injury Benefits	38	37	832	881
Other	154	-	-	-
Total Foundation Trust	325	212	1,423	1,586
Charitable Provisions	12	12	-	-
Total Group	337	224	1,423	1,586

	Legal Claims £000	Pensions Early Departure Costs £000	Pensions Injury Benefits £000	Other £000	Total £000	Charitable £000	Total £000
At 1 April 2018	102	778	918	-	1,798	12	1,810
Change in the discount rate	-	(7)	(21)	-	(28)	-	(28)
Arising during the year	32	17	9	154	212	-	212
Utilised during the year	(62)	(68)	(38)	-	(168)	-	(168)
Reversed unused	(7)	(63)	-	-	(70)	-	(70)
Unwinding of discount	-	2	2	-	4	-	4
At 31 March 2019	65	659	870	154	1,748	12	1,760

Expected timing of cash flows:

Not later than 1 year	65	68	38	154	325	12	337
Later than 1 year and not later than 5 years	-	271	153	-	424	-	424
Later than 5 years	-	320	679	-	999	-	999
At 31 March 2019	65	659	870	154	1,748	12	1,760

Provisions for pension benefits are based on tables provided by the NHS Pensions Agency, reflecting years to normal retirement age and the additional pension costs associated with early retirement.

Legal claims consist of amounts due as a result of public and employee liability claims. The values are based on information provided by and the NHS Litigation Authority.

The other provision relates to an employment case and also a dispute over maternity pathway payments.

Clinical Negligence

The NHS Litigation Authority (NHS Resolution) took over the financial responsibility for unsettled clinical negligence Existing Liabilities Scheme (ELS) cases from 1 April 2000.

In respect of the ELS liabilities of the Trust, nothing has been included in the provision of the NHS Resolution at 31 March 2019 (2017/18 : £0) (for which NHS Resolution is administratively responsible but the Trust has legal liability).

Financial responsibility for all other clinical negligence claims transferred to the NHS Litigation Authority (NHS Resolution) on 1 April 2002.

£130,649,653 (2017/18: £98,856,358) is included in the provision of the NHS Resolution at 31 March 2019 in respect of the Clinical Negligence Schemes for Trusts liabilities of the Trust (of which the NHS Resolution is administratively responsible but the Trust has legal liability).

In addition to the clinical negligence provision, contingent liabilities for clinical negligence are given in Note 27.

22. Revalidation Reserve

Movements on reserves in the year comprised the following :

Group and Foundation Trust		
	Revaluation Reserve Property, plant and equipment £000	Total 2019 £000
Revaluation reserve at 1 April 2018	15,592	15,592
Impairments	(2,127)	(2,127)
Revaluations	18	18
Transfer to I&E reserve upon asset disposal	(70)	(70)
Other reserve movements	1	1
At 31 March 2019	13,414	13,414

Group and Foundation Trust		
	Revaluation Reserve Property, plant and equipment £000	Total 2018 £000
Revaluation reserve at 1 April 2017	10,162	10,162
Impairments	(426)	(426)
Revaluations	5,896	5,896
Transfers to other reserves	(40)	(40)
At 31 March 2018	15,592	15,592

24. Cash and Cash Equivalents

	Group and Foundation Trust			
	Cash and Cash equivalents (excluding charitable funds) 31 March 2019 £000	NHS Charitable Funds : cash and cash equivalents 31 March 2019 £000	Cash and Cash equivalents (excluding charitable funds) 31 March 2018 £000	NHS Charitable Funds : cash and cash equivalents 31 March 2018 £000
At 1 April	7,761	68	5,647	158
Net change in year	3,488	(65)	2,114	(90)
At 31 March	11,249	3	7,761	68
Broken down into				
Cash at commercial bank and in hand	499	3	257	68
Cash with Government Banking Service	10,750	-	7,504	-
Cash and Cash equivalents as in SoFP and SoCF	11,249	3	7,761	68

25. Capital Commitments

Commitments under capital expenditure contracts at the Statement of Financial Position date for both Group and Foundation Trust were £763,000 (2017/18: £1,224,000). For Property Plant and Equipment assets these are £57,000 relating to backlog maintenance, Accident and Emergency work £68,000, Pathology Refurbishment £27,000, Third MRI Scanner build work £400,000, IT Switches £148,000, New Server £48,000 and Wi-Fi Installation £15,000.

26. Events after the Reporting Period

There are no post balance sheet events requiring disclosure.

27. Contingencies

The Trust has received claims to the value below for compensation for alleged public or employer liability. These claims are disputed and the Trust's financial liability, if any, cannot be determined until these claims are received. Where the Trust feels it is unlikely that these claims will be successful the estimates are included in contingencies otherwise they are included in provisions.

27.1 Contingent Liabilities

	Group and Foundation Trust		
	NHS Litigation legal claims 31 March 2019	Other 31 March 2019	Total 31 March 2019
	£000	£000	£000
Total value of contingent liability	(416)	-	(416)
Payable by NHS Resolution	372	-	372
Net contingent liability	(44)	-	(44)

	Group and Foundation Trust		
	NHS Litigation legal claims 31 March 2018	Other 31 March 2018	Total 31 March 2018
	£000	£000	£000
Total value of contingent liability	630	-	630
Payable by NHSLA	(580)	-	(580)
Net contingent liability	50	-	50

28. Public Dividend Capital Dividend

The Trust is required to pay a dividend to the Department of Health at a real rate of 3.5% of average relevant net assets less the average daily cleared Government Banking Service balances. The Trust's public dividend paid in year totals £2,095,000 (2017/18: £1,862,000) which included a receivable of £58,000 from 2017/18, however based on actual average relevant net assets this figure should be £1,953,000 (2017/18: £1,845,000) and a receivable of £197,000 has been recognised.

29. Related Party Transactions

Mid Cheshire Hospitals NHS Foundation Trust is a public benefit corporation established under the NHS Act 2006. NHS Improvement (NHSI) (formerly Monitor, the Regulator of NHS Foundation Trusts and NHS Trust Development Authority), does not prepare group accounts; instead, NHSI prepares NHS Foundation Trust Consolidated Accounts, for further consolidation into the Whole of Government Accounts. NHSI has powers to control NHS Foundation Trusts, but its results are not incorporated within the consolidated accounts, and it cannot be considered to be the parent undertaking for Foundation Trusts. Although there are a number of consolidation steps between the Trust's accounts and Whole of Government Accounts, the Department of Health and Social Care are the parent department. However, the Trust's ultimate parent is HM Government.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with the Mid Cheshire Hospitals NHS Foundation Trust.

Other main NHS entities with which the Mid Cheshire Hospitals NHS Foundation Trust are regarded as related parties. During the year the Mid Cheshire Hospitals NHS Foundation Trust had a number of material transactions

with other NHS entities which are listed below:

- South Cheshire CCG
- Vale Royal CCG
- Eastern Cheshire CCG
- Western Cheshire CCG
- North Staffordshire CCG
- Stoke-on-Trent CCG
- NHS England
- East Cheshire Trust
- University Hospitals of North Midlands
- NHS Resolution
- Health Education England
- The Christies NHS Foundation Trust
- Welsh Health Bodies
- Cheshire East Unitary Authority
- Cheshire West and Chester Unitary Authority
- Her Majesty's Revenue and Customs
- NHS Property Services
- NHS Pension Scheme

The Trust has also received revenue and capital payments from a number of charitable funds, for which the Trust Board acts as Trustee. There are separate audited accounts for charitable funds.

30. Financial Instruments

IFRS 7, Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Mid Cheshire Hospitals NHS Foundation Trust actively seeks to minimise its financial risks. In line with this policy, the Trust neither buys nor sells financial instruments. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

30.1 Market Risk

30.1(i) Interest-Rate Risk

All of the Trust's financial liabilities carry nil or fixed rates of interest. In addition, the only element of the Trust's assets that are subject to a variable rate are short term cash investments. The Trust is not, therefore, exposed to significant interest-rate risk.

30.1(ii) Foreign Currency Risk

The Trust has negligible foreign currency income or expenditure.

30.2 Credit Risk

The Trust operates primarily within the NHS market and receives the majority of its income from other NHS organisations, as disclosed in note 3. There is therefore little risk that one party will fail to discharge its obligation with the other. Disputes can arise, however, around how the amounts owed are calculated, particularly due to the complex nature of the Payment by Results regime. For this reason the Trust makes a provision for irrecoverable amounts based on historic patterns and the best information available at the time the accounts are prepared. The Trust does not hold any collateral as security.

30.3 Liquidity risk

The Trust's net operating costs are incurred under annual service agreements contracts with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust receives such contract income in accordance with Payment by Results (PBR), which is intended to match the income received in year to the activity delivered in that year by reference to the National Tariff procedure cost. The Trust receives cash each month based on an annually agreed level of contract activity and there are monthly payments made to adjust for the actual income due under PBR. This means that in periods of significant variance against contracts there can be a significant cash-flow impact. The Trust presently finances its capital expenditure from internally generated funds or funds made available from Government, in the form of additional Public Dividend Capital, under an agreed limit. In addition, the Trust can borrow, both from the Foundation Trust Financing Facility and commercially to finance capital schemes. Financing is drawn down to match the capital spend profile of the scheme concerned and the Trust is not, therefore, exposed to significant liquidity risks in this area.

30.4(i) Financial assets by category

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.

Group

Carrying values of financial assets under IFRS 9

	Total 31 March 2019 £000	Financial assets at amortised cost 31 March 2019 £000	Financial assets at fair value through OCI - mandated £000
Receivables (excluding non-financial assets) - with DHSC group bodies	8,212	8,212	-
Receivables (excluding non-financial assets) - with other bodies	2,670	2,670	-
Cash and cash equivalents	11,249	11,249	-
Consolidated NHS Charitable fund financial assets	932	-	932
Total	23,063	22,131	932

Carrying values of financial under IAS 39

	Total 31 March 2018 £000	Loans and receivables 31 March 2018 £000	Available for sale 31 March 2018 £000
Trade and other receivables (excluding non- financial assets) - with NHS and DH bodies	11,220	11,220	-
Trade and other receivables (excluding non- financial assets) - with other bodies	2,557	2,557	-
Cash and cash equivalents (at bank and in hand)	7,761	7,761	-
NHS Charitable funds: financial assets	954	954	-
Total	22,492	22,492	-

Foundation Trust

Carrying values of financial assets under IFRS 9

	Total 31 March 2019 £000	Financial assets at amortised cost 31 March 2019 £000
Receivables (excluding non-financial assets) - with DHSC group bodies	8,212	8,212
Receivables (excluding non-financial assets) - with other bodies	2,670	2,670
Cash and cash equivalents	11,249	11,249
Total	22,131	22,131

Carrying values of financial under IAS 39

	Total 31 March 2018 £000	Loans and receivables 31 March 2018 £000	Available for sale 31 March 2018 £000
Trade and other receivables (excluding non- financial assets) - with NHS and DH bodies	11,220	11,220	-
Trade and other receivables (excluding non- financial assets) - with other bodies	2,351	2,351	-
Cash and cash equivalents (at bank and in hand)	7,761	7,761	-
Total	21,332	21,332	-

All financial assets are denominated in Sterling.

30.4(ii) Financial liability by category

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.

Group

Carrying values of financial liabilities under IFRS 9	Total 31 March 2019 £000	Financial liabilities at amortised cost 31 March 2019 £000
Loans from the Department of Health and Social Care	13,603	13,603
Other borrowings	56	56
Obligations under finance leases	4,745	4,745
Trade and other payables (excluding non-financial liabilities) - with DHSC group bodies	3,786	3,786
Trade and other payables (excluding non-financial liabilities) - with other bodies	13,009	13,009
NHS charitable funds: financial	13	13
Total	35,212	35,212

Carrying values of financial liabilities under IAS 39	Total 31 March 2018 £000	Other financial liabilities 31 March 2018 £000
Borrowings excluding finance lease and PFI liabilities	12,497	12,497
Obligations under finance leases	5,690	5,690
Trade and other payables (excluding non-financial liabilities) - with NHS and DH bodies	4,069	4,069
Trade and other payables (excluding non-financial liabilities) - with other bodies	10,406	10,406
Provisions under contract	1,798	1,798
NHS charitable funds: financial	12	12
Total	34,472	34,472

Foundation Trust

Carrying values of financial liabilities under IFRS 9	Total 31 March 2019 £000	Financial liabilities at amortised cost 31 March 2019 £000
Loans from the Department of Health and Social Care	13,603	13,603
Other borrowings	56	56
Obligations under finance leases	4,745	4,745
Trade and other payables (excluding non-financial liabilities) - with DHSC group bodies	3,786	3,786
Trade and other payables (excluding non-financial liabilities) - with other bodies	13,009	13,009
Total	35,199	35,199

Carrying values of financial liabilities under IAS 39	Total 31 March 2018 £000	Other financial liabilities 31 March 2018 £000
Borrowings excluding finance lease and PFI liabilities	12,497	12,497
Obligations under finance leases	5,690	5,690
Trade and other payables (excluding non-financial liabilities) - with NHS and DH bodies	4,069	4,069
Trade and other payables (excluding non-financial liabilities) - with other bodies	10,406	10,406
Provisions under contract	1,798	1,798
Total	34,460	34,460

30.4(iii) Maturity of Financial liabilities

Group

	31 March 2019 £000	31 March 2018 £000
In one year or less	23,661	17,117
In more than one year but not more than two years	1,928	6,973
In more than two years but not more than five years	3,343	4,042
In more than five years	6,280	6,340
Total	35,212	34,472

Foundation Trust

	31 March 2019 £000	31 March 2018 £000
In one year or less	23,648	17,105
In more than one year but not more than two years	1,928	6,973
In more than two years but not more than five years	3,343	4,042
In more than five years	6,280	6,340
Total	35,199	34,460

All financial liabilities are denominated in Sterling.

30.5 Fair Values

There is no significant difference between book values and fair values of the Trust's financial assets and liabilities as at 31 March 2019.

31. Third Party Assets

Group and Foundation Trust

	2018/19 Money on deposit £000	2017/18 Money on deposit £000
At 1 April	-	-
Gross inflows	11	6
Gross outflows	(11)	(6)
At 31 March	-	-

The Trust held £424 cash at bank and in hand at 31 March 2019 (£130 at 31 March 2018) which relates to monies held by the Trust on behalf of patients. This is not included in cash at bank and in hand figure reported in the accounts.

32. Limitation on Auditor's Liability

The Trust's external auditor has no liability cap as at 31 March 2019.

33. Losses and Special Payments

	Group and Foundation Trust			
	2018/19 Total number of Cases Number	2018/19 Total value of Cases £000's	2017/18 Total number of Cases Number	2017/18 Total value of Cases £000's
Losses:				
Overpayment of Salaries	3	1	-	-
Fruitless payments and constructive losses	2	0	9	1
Bad debts and claims abandoned in relation to:				
Private patients	10	1	3	-
Overseas visitors	19	24	1	5
Other	149	11	90	3
Damage to buildings, property and stores losses				
Theft, fraud etc	4	-	-	-
Stores losses	1	81	1	38
Other	-	-	1	-
Total Losses	188	118	105	47
Special payments:				
ex gratia payments	17	5	8	2
Total special payments	17	5	8	2
Total Losses and special payments	205	123	113	49

During 2018/19 there have been no individual cases of fraud, personal injury, compensation under legal obligation and fruitless payment cases, where the net payment exceeds £300,000.

The amounts reported are shown on an accruals basis but excluding provisions for future losses.

34. Reconciliation of Liabilities Arising from Financing Activities

	DHSC Loans	Other Loans	Finance Leases	Total Liabilities from financing activities
	£000	£000	£000	£000
Carrying value at 1 April 2018 – brought forward	12,385	112	5,690	18,187
Impact of applying IFRS 9 as at 1 April 2018	29	-	-	29
Cash movements				
Financing cash flows -principal	1,183	(56)	(1,950)	(823)
Financing cash flows – interest	(202)	-	(194)	(396)
Non-cash movements				
Additions	-	-	1,008	1,008
Interest charge arising in year	208	-	194	402
Other Changes	-	-	(3)	(3)
Carrying Value at 31 March 2019	13,603	56	4,745	18,404

35. New Standards

35.1 Initial Application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £29k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £68k decrease in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £1,406k.

35.2 Statement of Financial Position Adjustments for the Implementation of IFRS 9 on 1 April 2018 (Group without Charity)

Statement of Financial Position:	SoFP 31 March 2018 pre- implementation 31 March 2018	IFRS 9 adjustment 1 April 2018	SoFP 1 April 2018 post implementation 1 April 2018
	£000	£000	£000
Receivables (gross)	16,106	-	16,106
Receivables - allowance for doubtful debts (credit losses)	(511)	68	(443)
All other assets (unlocked on request)	107,852	-	107,852
Total assets	123,447	68	123,515
Other liabilities (includes deferred income/contract liabilities)	(1,067)	-	(1,067)
Trade and other payables (for reclassification of interest accrual only)	(17,616)	29	(17,587)
Borrowings	(18,187)	(29)	(18,216)
All other liabilities	(1,798)	-	(1,798)
Total liabilities	(38,668)	-	(38,668)
Net Assets	84,779	68	84,847
Income and expenditure reserve	(7,604)	68	(7,536)
All other reserves	92,383		92,383
Total Equity	84,779	68	84,847

35.3 Impact of IFRS 9 on Financial Assets as at 1 April 2018

	Total 1 April 2018	Receivables (excluding non-financial assets) with DHSC bodies	Receivables (excluding non-financial assets) with Non –DHSC bodies	Cash at bank and in hand	Charitable funds financial assets
Carrying values under IAS 39 as at 31 March 2018					
Financial assets held at amortised cost (Loans and receivables)	22,492	11,220	2,557	7,761	954
Total at 31 March 2018 under IAS 39	22,492	11,220	2,557	7,761	954

Carrying Value under IFRS 9 as at 1 April 2018 (after applying both IFRS 9 and IFRS 15)

Financial assets held at amortised cost (Loans and receivables)	22,560	11,220	2,625	7,761	954
Total at 1 April 2018 under IFRS 9	22,560	11,220	2,625	7,761	954

Effect of implementation of IFRS 9 (and IFRS 15) as at 1 April 2018:

Other measurement changes (not as a result of changing measurement category) under IFRS 9	68	-	68	-	-
Total change in carrying value	68	-	68	-	-

35.3 Impact of IFRS 9 on financial assets as at 1 April 2018

	Total 1 April 2018	Receivables (excluding non-financial assets) with DHSC bodies	Receivables (excluding non-financial assets) with Non –DHSC bodies	Cash at bank and in hand	Charitable funds financial assets
Carrying values under IAS 39 as at 31 March 2018					
Financial assets held at amortised cost (Loans and receivables)	22,492	11,220	2,557	7,761	954
Total at 31 March 2018 under IAS 39	22,492	11,220	2,557	7,761	954

Carrying Value under IFRS 9 as at 1 April 2018 (after applying both IFRS 9 and IFRS 15)

Financial assets held at amortised cost (Loans and receivables)	22,560	11,220	2,625	7,761	954
Total at 1 April 2018 under IFRS 9	22,560	11,220	2,625	7,761	954

Effect of implementation of IFRS 9 (and IFRS 15) as at 1 April 2018:

Other measurement changes (not as a result of changing measurement category) under IFRS 9	68	-	68	-	-
Total change in carrying value	68	-	68	-	-

35.4 Impact of IFRS 9 on financial liabilities as at 1 April 2018

	Total 1 April 2018	DH Loans 1 April 2018	Other Borrowings 1 April 2018	Finance lease obligations 1 April 2018	Trade and other payables (DHSC bodies) 1 April 2018	Trade and other payables (other bodies) 1 April 2018	IAS 37 provisions which are financial liabilities 1 April 2018	Charitable Fund financial liabilities 1 April 2018
	£000	£000	£000	£000	£000	£000	£000	£000
Carrying values under IAS 39 as at 31 March 2018								
Financial liabilities at amortised cost	34,472	12,385	112	5,690	3,331	11,144	1,798	12
Total at 31 March 2018 under IAS 39	34,472	12,385	112	5,690	3,331	11,144	1,798	12

Carrying values under IFRS 9 as at 1 April 2018 (after applying IFRS 9)

Financial Liabilities measured at amortised cost	34,472	12,414	112	5,690	3,302	11,144	1,798	12
Total at 1 April 2018 under IFRS 9	34,472	12,414	112	5,690	3,302	11,144	1,798	12

Effect of implementation of IFRS 9 as at 1 April 2018:

Other measurement changes (not as a result of changing measurement category)	-	29	-	-	(29)	-	-	-
Total change in carrying value	-	29	-	-	(29)	-	-	-

35.5 IFRS implementation on allowance for doubtful debts as at 1 April 2018

Allowance for doubtful debts (credit losses) under IAS 39 as at 31 March 2018

	Allowance for doubtful debts 1 April 2018
	£000
Trade and other receivables - with other bodies	511
Total at 31 March 2018 under IAS 39	511
Allowance for doubtful debts 1st April 2018	
Contract receivables and contract assets - with other bodies	443
Total at 1 April 2018 under IFRS 9	443
Change in loss allowance arising from application of IFRS 9	(68)

35.5 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance

obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018). The Statement of Financial position has not been amended due to the implementation of IFRS 15.

36. Mid Cheshire Charity Summary Statements

	<u>2018/19</u> £000	<u>2017/18</u> £000
INCOME		
Donations	257	250
Legacies	34	17
Other Income	-	-
Investment Income	13	15
Gain in disposal of assets	4	-
TOTAL INCOME	308	282
EXPENDITURE		
Cost of Raising Funds	(37)	(75)
Charitable Activities	(323)	(419)
	(360)	(494)
<u>Net (losses)/gains on investments</u>	13	(7)
Net (Expenditure)	(39)	(219)
Transfer between Funds	-	-
NET (OUTGOING) RESOURCES	(39)	(219)

GAINS ON INVESTMENT ASSETS

Total Funds Brought Forward	887	1,106
Fund balances carried forward at 31 March 2019	848	887

Balance Sheet as at 31 March 2019

	Total at 31 March 2019 £000	Total at 31 March 2018 £000
FIXED ASSETS		
Investments at market value	622	590
CURRENT ASSETS		
Debtors	307	298
Cash at bank and in hand	3	68
TOTAL CURRENT ASSETS	310	366
CREDITORS		
Amounts falling due within one year	(72)	(57)
Provisions	(12)	(12)
NET CURRENT ASSETS	226	297
TOTAL NET ASSETS	848	887
FUNDS OF THE CHARITY		
Unrestricted income funds	848	887
Restricted income funds	-	-
TOTAL FUNDS	848	887



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