NHS

Bridgewater Community Healthcare

NHS Foundation Trust

# ANNUAL REPORT & ACCOUNTS 2019 - 2020

# Bridgewater Community Healthcare NHS Foundation Trust

## Annual Report and Accounts 2019/20

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

# Contents

# 1. Statement from Chair and Chief Executive

We are delighted to present the Annual Report and Accounts for Bridgewater Community Healthcare NHS Foundation Trust (Bridgewater) for the period 1 April 2019 to 31 March 2020.

As the financial year 2019/20 drew to a close, Bridgewater, in common with all other NHS trusts across the UK, faced its toughest challenge of recent times.
The coronavirus pandemic and the subsequent lockdown announced to the nation on March 23, presented the organisation with a series of unprecedented issues to be resolved.
Its response however was exemplary. From the outset we announced the suspension of all non-essential services, we ramped-up our front-line services providing them with extra staff, the equipment to protect themselves and their patients.
We collaborated with partners across health and social care, we extended our use of mobile technology, we extended the operating times of key teams and services including our community equipment stores, we worked holidays and bank holidays.
In the space of two weeks we radically changed the systems and processes underpinning our operations to meet the demands that were posed on a daily basis.
It is tribute to all those who work for us that we achieved so much over a period of eight days in total. The efforts that went on behind the scenes were extraordinary but we were buoyed by a spirit of solidarity, a Can Do attitude and flexibility and agility around every corner.

It is testament to the efforts of all that our patients continued to receive the care they needed in their homes and our nursing and residential home residents were given the nursing care they needed.
We are humbled by the extraordinary lengths our staff went to protect those in greatest need and we have been overwhelmed by the public's generosity, good wishes and understanding.

Next year we shall feature in much more detail some of the simply extraordinary things we did in response to the challenges posed by the pandemic , but it is fitting that we take this opportunity to say Thank You to all those who have worked tirelessly throughout these unchartered times.
It is a privilege to serve as your Chair and Chief Executive.

2019/20 has been a transformative year for Bridgewater. During the year, the decision was made to divest our Health and Justice Services, Sexual Health Services and our remaining

services in St Helens. These services were successfully and safely transferred to their new providers between 31 December 2019 and 31 March 2020. We wish the staff in these services well and we would like to thank them for their hard work and dedication. Our focus is now on creating integrated care partnerships in Warrington and Halton and developing the reach of our specialist Dental Network. Provision of Childrens' Services within the borough of Oldham also remains a key part of our portfolio at the current time.

Key to our ambitions to create truly integrated services in Warrington and Halton has been our partnership with Warrington & Halton Hospitals NHS Foundation Teaching Trust (WHH). Since December 2018, Bridgewater has been in discussions with WHH to determine the nature of any future collaboration, and to understand the benefits that such a collaboration would bring both to the communities that we serve and to the wider health and care system. For both Boards, our collaboration is only one element of creating truly integrated care for our communities, and improving population health outcomes. Our partnerships with Primary Care Networks and Local Authorities are equally important in achieving our ambitions to deliver the vision set out in the Long Term Plan. Further details on the developments and collaborations in Warrington and Halton are provided in the service developments section in the Profile.

In March 2020, Bridgewater agreed to take over specialist Dental services in Bury, Rochdale and Oldham from the incumbent provider, Pennine Care. The date of transfer is yet to be agreed, but will take place during the 2020/21 financial year.
Bridgewater has continued to implement the recommendations from our comprehensive CQC Well-Led Inspection that rated the Trust "Requires Improvement" in September 2019. These have been incorporated into a Trust-wide Quality Improvement plan that aims to see us moving to "Good" by our next inspection.

Like other public sector bodies, this year has been challenging for us as we continue to face tough financial conditions alongside increasing demand. Despite this, we have delivered a financial result that is within plan, thanks to the commitment of every single member of staff who has ensured that we have continued to provide high quality care that offers the best value for money for taxpayers.

This year we have seen some changes to the Board of Directors. Whilst sorry to lose several valued colleagues we have welcomed new Executive Directors to the Board. Among our new executive appointments we had two shared posts with WHH for a period, underlining our commitment to joint working across our organisations. We also welcomed a Director of Strategic Delivery and two new Deputy Medical Directors. In November 2019, I was delighted to be appointed as your new Chair.

Last year the NHS faced new and unprecedented challenges and we are proud of the way our staff have risen to the challenge and continue to do so. The landscape of community services is going to change in the future and we are excited to be leading the way with working collaboratively across the whole health and social care system. We will build on our successes during 2020/21 and will continuously improve our services.

Colin Scales

**CHIEF EXECUTIVE OFFICER**

Karen Bliss

**CHAIR**

# 2. Performance Report

## 2.1 Overview of Performance

The purpose of the overview is to give a short summary to provide sufficient information to understand our organisation, its purpose and the key risks to the achievement of its objectives and how it has performed during the year.

### Chief Executive's statement

2019/20 has been another busy year within the Trust. Over the course of the year I have been privileged to work with staff who wholeheartedly share the Trust's aim to improve the health and wellbeing of the people we serve in an integrated place-based way. This is reflected in the overwhelmingly positive patient feedback about the services we offer.

Effective performance management is critical to Bridgewater's ambition to become a high performing Foundation Trust which is financially viable, well governed and consistently compliant with its terms of authorisation. To support this, the Trust has invested in its Data Warehouse and launched a newly developed Business Intelligence tool to enable clinicians and managers to access the organisational stored data to continue on our Quality Improvement programme.

During the year we updated our 'place based' operational plans which describe the key changes in each borough reflecting the overarching themes in our Strategy: Quality and Place. Specific information on boroughs, other services and corporate teams can be found herein.

During the year the Trust focused on the transfer of our Health and Justice Services to Greater Manchester Mental Health NHS Foundation Trust and services within St Helens to St Helens and Knowsley NHS Trust. These transfers enable the Trust to work towards enacting the NHS Long Term Plan and providing integrated care by working closely with the whole health and social care system.

### Profile of the Trust

Bridgewater Community Healthcare NHS Foundation Trust (Bridgewater) is a provider of community health services in the North West of England. Established as an NHS Trust in November 2010, Bridgewater was awarded NHS Foundation Trust status by Monitor on 1st November 2014 and the Trust name was changed to Bridgewater Community Healthcare NHS Foundation Trust.

During 2019/20 Bridgewater provided community adult and children's nursing and therapy services in Halton, Warrington, and St Helens. It also provided children's services in Oldham and specialist services such as Community Dental and Health & Justice services across a larger geographic footprint in the North West.

The map below shows the areas that Bridgewater provided services to in 2019/20:


## Operating Income

The whole time equivalent (WTE) and headcount of our staff for the period 01 April 2019 – 31 March 2020 was headcount at 1815 and WTE at 1534.23 – the majority of whom are staff members of our Foundation Trust.

Our income for the year 1 April 2019 to 31 March 2020 totalled £109.8m (2018/19: £147.3m) and included:

| | |
|---|---|
| CCG and NHS England | £74.06m (2018/19: £103.4m) |

Local authorities £20.4m (2018/19: £31.5m)

Health Education England £1.0m (2018/19: £2.7m)

Other NHS Foundation Trusts (excludes non-FTs) £9.1m (2018/19: £5.4m)

The income for the provision of goods and services for the purposes of the health service in England is greater than our income for the provision of goods and services for any other purposes. (As per section 43(2a) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012)).

For the financial reporting year ended 31st March 2020, Bridgewater has reported a deficit of £7.96m (2018/19: £7.59m deficit) and this is the same figure as in the summarisation schedules that underpin the accounts. However, it should be noted that the deficit for 31st March 2020 includes a one-off £8.0m loss on transfer of services to another provider and adjusting for this the Trust's underlying financial position for 2019/20 would be a small surplus of £50k.

## Our vision for the future

Our vision for Bridgewater is described in a single statement as:

***'Quality first and foremost'***

Underpinning our vision are our five strategic goals. These are:

| Strategic objective | What this means |
|---|---|
| **Quality** | Delivering high quality, safe and effective care which meets both individual and community needs. |
| **Innovation and collaboration** | Delivering innovative and integrated care closer to home which supports and improves health, wellbeing and independent living. |
| **Sustainability** | Delivering value for money, ensure that the Trust is financially sustainable and contributes to system sustainability. |
| **People** | To be a highly effective organisation with empowered, highly skilled and competent staff. |
| **Equality, Diversity and Inclusion** | To actively promote equality, diversity and inclusion by creating the conditions that enable compassion and inclusivity to thrive. |

To deliver our vision of *'Quality first and foremost'*, we must focus on eight 'must dos'.

This means:

1. Achieving the highest standards for patient safety, clinical quality and improving patient experience;
2. Implementing out of hospital health and care models i.e. Integrated Community Services across our geographical footprint;
3. Maintaining financial viability and stability;
4. Developing further our organisational capacity and capability to deliver excellent services as the Trust's organisational footprint continues to grow;
5. Delivering excellent clinical services, striving to further improve outcomes and delivering across all NHS targets;
6. Engaging stakeholders, demonstrating leadership for corporate and social responsibility and strategically positioning Bridgewater services;
7. Playing a prominent role in our local health economies and the emerging STP footprints and safeguarding on-going employment opportunities for our staff;
8. Ensuring robust data and an evidence based approach to everything we do.

## The Trust's Strategy: *Quality and Place – Transforming health together*

The Trust's organisational strategy - "Quality and Place" has two key priorities, Quality and Place, and eight workstream enablers and provides a clear overarching direction for the Trust to deliver high quality healthcare. It focuses on place and our role as a community provider and partner in each of our boroughs.

The Trust's strategy is underpinned by eight key principles namely:

- To ensure patients are at the heart of what we do, providing them with excellent clinical outcomes and a first-class experience;
- The need to ensure the continued delivery of high quality care and appropriate community services to the population and communities that we serve;
- The requirement to achieve clinical and financial sustainability;
- Achievement of current and future quality and accreditation standards;
- Continual development of services that meet the changing healthcare needs of the patients we serve;
- Partnership working across the local health economies in which we operate to ensure wider sustainability of healthcare provision;
- A programme of cost improvement and capital expenditure set at a realistic level over the period of the plan;

- Open, honest communication with our staff and high levels of engagement and empowerment.

Between January and March 2019 operational teams, clinicians, administrative staff, managers and representatives from corporate teams jointly developed their "place based" operational delivery plans for 2019/20 describing their priorities in each borough linked to the overarching themes in 'Quality and Place'. We also published an operational delivery plan for Health and Justice and our Community Dental Service. Each plan was also summarised into our annual operating plan - a thematically based plan to complement each of our place based operational delivery plans.

**Quality**

- Borough and service delivery plans were developed, as in previous years, as part of an annual review of our five year Quality and Place strategy.
- Sepsis training and borough awareness raising continued and our Sepsis Identification and Screening Policy reviewed.
- Quality and Safety newsletters continued to share key messages arising from lessons learned and root cause analysis activities.
- 70% of staff received a flu vaccination meaning we are helping to protect our most vulnerable patients and helping to limit the spread of flu.
- Oldham Right Start and School Nursing Service achieved 95% compliance in an infection prevention and control audit of our 16 children's centres.
- Electronic Prescribing was launched in Warrington's Treatment Rooms service to deliver a range of benefits which will save time and increase patient safety.
- Positive feedback was received following a CQC inspection of Health and Justice Services for our Health and Justice service at HMP Wymott.
- Bridgewater/GMMH partnership sites achieved the highest results across the North West for Health and Justice services including secure children's homes in their Quality Schedule, achieving outstanding submissions and 100% achievement of key performance indicators.
- Regular 'Time to Shine' meetings where clinical managers provide support to their peers and share good practice across clinical areas.

**Out of Hospital Care and Integration**

- Bridgewater continued to play a key role in the development of Integrated Community Teams (ICTs) as part of Warrington Together and during the year, two Integrated Community Teams Hubs were established – a central hub at Orford Jubilee Park and a West hub in Great Sankey - bringing together both healthcare

staff with social care and other colleagues to deliver more responsive and better co-ordinated care for patients.

- Warrington was named as one of seven ‘accelerator’ sites in the country to be the first to deliver new expert rapid response teams under a new of the NHS Long Term Plan and the Ageing Well programme. Bridgewater’s community services are at the forefront of this development, working in partnership with Warrington Council’s social care team to roll out and embed the new teams within early 2020.
- Multi Agency Team meetings within Primary Care, Warrington Borough Council, North West Boroughs and Warrington Wellbeing are live in the Central North cluster and are being rolled out across the borough.
- In Halton, place based integration of health and care professionals got underway with plans established for five integrated community hubs. This includes two hubs in Runcorn, two in Widnes and a specialist hub operating across the borough providing specialist support in response to identified need.
- Halton's Integrated Frailty Service (HIFS) launched in early 2020 and is also now developed as a standardised out of hospital model to manage and treat high-risk patients in the community to avoid unplanned admissions to hospital and attendance at A&E.
- To support our place based approach, a series of engagement events to develop the Out of Hospital approach in Halton and Warrington took place with key health, care and voluntary sector partners, further workshops are planned for 20/21.
- The work of 'St Helens Cares' continues to be supported as the local Integrated Care System for St Helens. As a system, the aim is to underpin integration by moving to a single (outcomes-based) contract with a lead provider responsible for the delivery of services for St Helens residents.
- ‘Oldham Cares’ is part of the Greater Manchester Population Health Plan which has been developed for the region with priorities reflecting locality plans in each Greater Manchester’s boroughs. We continue to support the ambitions of these locality plans through the delivery of our 0-19 Children’s Services in Oldham.
- Work to develop a model for integrated children’s service for Halton and Warrington is underway and a Children’s Service Transformation Board is established.

**Asset based delivery, prevention and self-care**

- In Warrington, we continued to lead Warrington Together’s ‘Organisational Development & Workforce’ enabler group which includes our system approach to asset/strength based working.

- In both Warrington and Halton, we are working closely with the procured provider and in partnership with the Borough Councils to deliver asset/strength based training to staff in both health and care settings.
- In Halton, staff in our 0-19 children's services received training on asset/strength based working through a partnership with Wellbeing Enterprises and in Warrington, training was delivered to Community Nurses, Matrons and Social Care colleagues as an integrated team in the Central hub.
- In Oldham, the Right Start and School Nursing Service is working together to co-produce and evaluate a speech and language intervention, called 'Little Talkers'.
- An engagement role for Senior Dental Officers has been developed to build different relationships across the boroughs in which we deliver Community Dental Services.
- Across Cheshire and Merseyside, work is underway with Cheshire and Merseyside Health and Care Partnership to develop bespoke training to roll out 'Making Every Contact Count (MECC)' meaning we can play our part in health improvement and prevention, supporting people to make positive changes to their physical health and wellbeing.

**Communication & Engagement**

- In partnership with One Halton, Warrington Together, St Helens Cares and Oldham Cares, we continue to support the system-wide communication and engagement priorities as a key partner in the integration of health and social care services.
- In Halton, we supported the re-launch of the One Halton Health Show on Halton Community Radio through 2019/20 and coordinated a regular stream of guests and hosts to help promote community services to local people.
- The 'Now We're Talking' internal campaign expanded and developed further in 19/20 resulting in increased visibility and profile of our services across multiple media channels e.g. videos, case studies, web pages and social media presence.
- In May our Oldham Right Start service facilitated an engagement workshop with partners to develop a borough-wide inclusion strategy for Oldham, working with school, private and voluntary early years' settings and special educational needs coordinators.
- Dementia Friends training was widely promoted across the Trust, whilst our Greater Manchester Dental Network was accredited by the Greater Manchester Combined Authority as a dementia friendly dental service.
- A series of engagement events and workshops were facilitated in 2019/20 in both Halton and Warrington bringing together partners from Primary Care, Secondary Care, North West Ambulance, Mental Health and the Third Sector to develop and agree the development of Integrated Community Teams.

- In Halton, £580,000 was secured from the Early Outcomes Fund to launch a Talk Halton project aimed at reducing the 'word gap' and enabling more children to achieve the expected levels of communication and literacy by the end of the early year's foundation stage.
- In Warrington, the Community Neurosciences service won the 'Best Contribution in a Community Setting' category at the 'National Institute for Health Research Greater Manchester Clinical Research Awards'
- As a partnership, Bridgewater and Wellbeing Enterprises CIC were shortlisted for a Health Service Journal (HSJ) partnership award in the 'Best Educational Programme for the NHS' category.
- Engaging with patients for research is important and in 2019/20 we topped the list of NHS Trusts in England in achieving the highest percentage increase in the number of research studies recruited, meaning we are able to offer hundreds of patients the opportunity to help develop and benefit from new treatments
- In Warrington, we saw an article published in the 'British Journal of Community Nursing' entitled 'Clinical implications of self-neglect among patients in community settings', a submission from one of our Community Matrons.

**Service Improvement and Transformation**

- In 2019/20, we started to work in a strategic partnership with Warrington and Halton Teaching Hospitals NHS Trust (WHH) to explore opportunities for greater collaboration in corporate services as well as improving patient pathways across hospital and community settings.
- A strategic review of services was also completed to identify the areas where the Trust could add greatest value to service delivery. As a result, we initiated a Transformation Programme to oversee service developments, transfers and divestments.
- In 2019/20 we appointed two GPs as Clinical Directors for our Halton services to support the wider focus on transformation and integration with the Primary Care Networks (PCNs).
- Speech Recognition (SR) with Digital dictation (DD) commenced in 2019/20 as a trial with our Specialist Paediatric services and Orthopaedic Clinical Assessment Treatment service in Warrington and seeks to replace hand-held dictaphones and tapes, moving from an analogue provision to that of a fully digital solution fully compatible with SystmOne which is the main Electronic Patient Record (EPR) used within the Trust.
- A new, national, evidenced based programme of group rehabilitation for people with chronic joint pain or osteoarthritis of the knee and/or hip was introduced for musculoskeletal services MSK in Warrington called 'Escape Pain.'

- In St Helens, we installed a new Oral Pantagraph X ray facility as part of Community Dental Service to improve the quality of care provided to St Helens residents.
- In HMP Garth and Wymott, we introduced and recruited to a new clinical pharmacist role, a first for our Health and Justice service.
- Widnes Urgent Care Centre launched live waiting times for patients via Twitter late 2019. This means that the service can now provide hourly updates so that people can see how long they can expect to wait before making an informed choice on when to visit to receive treatment for minor ailments and injuries
- Our North West Driving Assessment Service, based in Haydock St Helens, launched several new outreach services covering Liverpool and Leyland to improve the accessibility of the service for the region's residents.
- UNICEF assessors visited the Right Start Service in early 2020 to re-assess our Baby Friendly accreditation in Oldham, for which the service received high praise and feedback.

**Workforce and Organisation Development**

- The Trust welcomed a number of senior appointments including Prof. Simon Constable as Executive Medical Director followed by Dr Alex Crowe as Acting Executive Medical Director for Bridgewater as well as Warrington and Halton Teaching Hospitals NHS FT (WHH), however due to the Covid pandemic this Service Level Agreement has now ended. We also welcomed Drs Aruna Hodgson & Ted Adams as Deputy Medical Director, Sarah Quinn as Director of Strategic Delivery and Karen Bliss, formerly a Non-Executive Director, as Trust Chair.
- The Trust's Workforce Strategy was developed in 2019 setting our commitment to making the NHS the best place to work and alongside the Workforce Strategy; the Trust Workforce Delivery plan was also developed.
- Managers continued to be trained in 'Population Centric Planning Approaches' to support workforce planning, service redesigns and workforce monitoring.
- The Bridgewater Induction Programme was reviewed to allow for a more streamlined introduction and to ensure all new starters to Bridgewater have the best experience of joining our organisation.
- Bridgewater continues to be a participant in the NHSI Nursing Retention review programme to support the reduction of turnover.
- Bridgewater was part of the Trainee Nurse Associate's pilot and this has continued successfully within the organisation.
- Training is being delivered across the Trust to staff to pledge to the Rainbow Badges initiative for LGBT+ inclusion.
- Bridgewater celebrated further Mary Seacole success with the North West Leadership Academy and has hosted and completed three cohorts of the leadership

development programme with a fourth cohort underway. So far 25 staff have completed the programme with excellent results and a further 14 staff are currently studying for the leadership award.

- Leader In Me continued in 2019 as a commitment to investing in our leaders and to ensure that our staff continue to have opportunities to develop as individuals and professionals.

**Technology**

- Bridgewater's Digital Strategy continued deployment in 2019/20.
- To deliver digitally enabled care as envisaged we have extensively rolled out agile working capability through 19/20 and will continue to roll this out throughout 20/21 i.e. electronic patient records. This includes Mobile Technology to support clinicians and patient care where appropriate integrating systems and technologies where feasible.
- As a Trust we are a partner supporting Share2Care and e-Xchange which is the name given to the health and social care record programme which will be the shared care record for Halton and Warrington.
- The NHSmail email system was rolled-out in 2019/20 to 2000 email users, including staff transferring to other providers in Wigan and Bolton and to 830 Bridgewater staff based in Warrington.
- Electronic referral is being developed with the District Nursing Team in Warrington acting as early adopters between the hospital and the community.
- Bridgewater IT, Systems and Performance Teams received joint accreditation by North West Informatics Skills Development (ISD) at Excellence-in-Informatics Level 1.
- The transition from SystmOne to EMIS in Halton's Treatment Rooms was one of just three shortlisted nominations from the North West region in the North West ISD annual awards.

**Data and Information**

- We invested in and built a new data warehouse and business intelligence solution, called Qlik Sense, and will continue to further develop our technology-driven systems.
- The Integrated Quality & Performance Report (IQPR) (Heat Map) was developed at cost centre level to ensure clinical teams, clinical managers and the Executive/Management Team have the information available to effectively performance manage services.

- A wider Data Improvement Plan has been developed in 2019 and is rolling out in 2020 in line with plans set by the Data Improvement Group.
- Working with clinical teams, the burden of manual data collection continues to reduce enabling all reported data to be extracted electronically.
- A Trust wide approach to demand and capacity modelling using the NHS-I standardised model was also supported and offered to all staff in 2019/20.
- The Patient Access Policy was also updated in 2019/20 to reflect the NHSI Model Elective Access Policy in line with national waiting time standards and the NHS Constitution.

**Estate and Infrastructure**

- In spring 2019 our Trust re-located to new headquarters at Europa Point in Warrington – a move which followed a strategic review of services and a commitment to a longer-term focus on Halton and Warrington boroughs.
- During the year our Warrington, Halton and St Helens Integrated Community Equipment Stores and wheelchair services also co-located to new premises at the headquarters site, providing additional storage and clinical facilities and improving the service.
- The Strategic Estates Groups in One Halton and Warrington Together continued to collaborate to maximise opportunities for co-location and integrated community teams and in partnership with the Councils, LiveWire and other colleagues, integrated community hubs for health, care and third sector colleagues are developing in Halton and Warrington.

## Patient Feedback Received April 2019 – March 2020

Below are some of the comments received by Bridgewater about the services we provide and the healthcare professionals who deliver those services.

**Halton:**

District Nursing: “To all the nursing staff who looked after [Name]. Words cannot express what we feel of the nursing he has received. He couldn't have had better nursing, you all put him at ease and we are grateful to you all so much. From all the family.”

Macmillan Service: "Thank you for everything - all the help and support and lending a kind ear for us to talk to, to take our minds off the situation! She was old school and didn't really like nurse and doctors in and out of her house but she took a real shine to you! We really cannot thank you enough, when everything was bleak you gave us hope."

School Nursing: "Good afternoon! I just wanted to say a massive thank you to both nurses who looked after [Name] and administered his injections at St Paul's yesterday. They were

absolutely amazing with him, the procedure was so quick, stress free and easy. It really does make a huge difference to what could be a traumatic experience. The whole team have been so helpful throughout. Thank you all."

Paediatric Occupational Therapy and Physiotherapy: “At first appointment felt really reassured that I was understood and they were going to get my son all the help he needed.”

**Oldham:**

**Family Nurse Partnership**: “Because they are helpful, kind and make us feel like we are doing a better job as parents.

**Children’s Centres** - "I cannot praise this centre enough. I have moved home from Hampshire with a toddler and pregnant with my second child, we had seen Sure Start Children's Centres closing down from about 10 to 1 during my first pregnancy in the South. I saw my midwife at Beever, my then 5 month old son attended Babbling Babies and my 2 year old daughter was welcome to come along.”

**Health Visitors:** “I will always recommend Oldham care services. We always received great care provided by friendly and always happy to help staff. We received great advice and support here.”

**St Helens:**

**Paediatric Audiology Service**: “"My son has been looked after by [Name] and the team at Bridgewater in Newton-le-willows since the age of 3. He is now 16 and moving to adult services. I cannot thank [Name] and her team enough, they are an absolute credit all the way from booking appointments to receiving the best care we could have wished for, for our son. Please can you thank the department as they have most definitely made our sons future that much brighter and they definitely deserve some recognition.”

**Community Intravenous Therapy**: “Just to say a huge thank you for everything you have done for me, you are a kind hearted person with such thoughtfulness for others and people like you are hard to find. Thanks again. Ps. the kettle is always on for you"

**Community Gynaecology Service**: “Professional, explained everything in easy to understand way, friendly put me at ease.”

**Paediatric Speech & Language Therapy**: “[Name] very patient give fantastic support and information, made both myself and my son at ease which made the sessions very enjoyable. My son's stammer is now under control thanks to [Name] and her help.”

**GPSI Dermatology Service**: “No waiting, well organised, spotless, worth the journey. Everyone is so efficient and kind.”

**Warrington:**

**Community Neurosciences**: “I felt that I was really listened to for the first time in years. The team seem very kind and caring.”

**Paediatric Audiology**: “Very friendly, explained everything very well. Were great with our son. Felt very confident in their care.”

**GP Extended Hours Service**: “The best service I have ever seen by a doctor. Dr [Name] was very reassuring and explained everything he was doing for and looking for with my 8 month old baby. A truly exceptional doctor.”

**Bladder and Bowel Service**: “Friendly listening 'ear' covering my problems, very helpful and understanding with a sincere feeling of being well looked after. A very big thank you for the help received.”

**Family Nurse Partnership**: “I feel that our family nurse has been able to help and support us during some very difficult times. It has made a lot of difference to our lives and future.”

**Dental Services:**

**HMP Thorncross**: “I wanted to write this letter to express my gratitude to your dental team here at Thorncross. I have seen multiple dentists during the course of my sentences and your dental team are outstanding. The treatment I have received and their bedside manner have been exceptional. I thought my previous poor experiences with dentists were normal. Thankfully your approach has shown me that this is not the case. You explained my options clearly and I felt reassured to make my decisions. Thank you again to all the dental team for your help and support. Kind regards

**HCRC Widnes**: "I just want to thank [Name] and the nurse he was working with yesterday. I had tooth extraction and I am an extremely anxious patient. They were both so supportive and made me feel so comfortable. I just want to thank them both as it meant so much to me to feel comfortable to go through with the procedure. Please thank them for me, I am eternally grateful that they have helped me conquer a lifelong fear of mine!”

**Fountains HC Chester**: “Extremely professional in their approach as a team. Good clear explanation of treatment and plenty of aftercare.”

**Kingsgate HC Stockport**: “My daughter needed urgent dental treatment following a fall. All staff were caring, attentive and so very kind. They went above and beyond. Thanks so much.

**Health and Justice:**

**HMP Garth**: “I'd like to thank [Name] for all the hard work she has put in on getting my wounds in a better place then when she first treated them. She has been a real professional and knows her stuff. She makes you feel at ease and not embarrassed and will answer all your questions in a way that makes you understand. She has a worked attitude and wish all the nurses were as knowledgeable as she is and will be deeply missed. It will take someone very special to fill her shoes, once she has gone. So thank you very much you are a good nurse.”

**HMP Wymott**: “"I would like to personally thank the staff that were giving out the med's on F wing on Friday 5th April. They went over and above to help me. People are quick to complain and as there is no box for compliments I have wrote on this. I don't have the staff names but I'm sure you will. Thank you all the healthcare Team."

**HMP Thorncross**: “Excellent rapport from nurse practitioner, painless execution of vaccine. Cannot be faulted.”

## Influences and risks

The Trust has been exposed to many external influences and risks which change and drive the way services are delivered in years to come. Close monitoring and review is undertaken at a Trust level to ensure alignment to local system changes and health policy.

The analysis below illustrates the key external influencing factors and risks:

| | |
|---|---|
| ***Political*** | ▪ Covid-19 pandemic<br>▪ Increased financial challenge for the Trust<br>▪ Future commissioning arrangements i.e. Integrated Care Systems (ICSs)<br>▪ Lack of coordination across clinical and political leadership when setting commissioning strategies<br>▪ Patient choice and NHS constitution<br>▪ Impact of integration with and across social care |
| ***Economic*** | ▪ Covid-19 pandemic<br>▪ Rate of economic recovery<br>▪ Post Brexit impact<br>▪ Risk to sustained transformation programme within current resources<br>▪ Continued impact of reduced funding, ambitious Cost Improvement Programme (CIP) and Quality, Innovation, Productivity and Prevention (QIPP) targets combined with increasing levels of inflation<br>▪ Fragmented commissioning budgets across health, social care and wider public services<br>▪ Increasing demands e.g. ageing population and long-term conditions<br>▪ Reduction in Local Authority provision of Social Care services |

| | |
|---|---|
| ***Sociological*** | ▪ Covid-19 pandemic<br>▪ Demographic changes and impact i.e. ageing population<br>▪ People dependent on services for their long term health and social care needs; services don't fit around their lives<br>▪ Poor deprivation scores across all boroughs<br>▪ Increased emphasis on community based preventative healthcare/self-management<br>▪ Increased choice for where care is received e.g. in community, at home etc.<br>▪ Growing culture of assertive consumerism with increasing expectation |
| ***Technological*** | ▪ Covid-19 pandemic<br>▪ New IT solutions: People powered technology e.g. telehealth/telemedicine<br>▪ Alignment and sharing of information across IT platforms<br>▪ Greater access to the internet, apps and remote assessment<br>▪ Availability of new drugs to support conditions and disease<br>▪ Diagnostic/service capability i.e. opening up opportunities for delivery of more services/diagnostics outside the acute hospital sector<br>▪ Innovation to support care delivery and staff mobilisation e.g. Electronic Patient Records (EPR), agile working<br>▪ Home/office working, security and reliability<br>▪ Maintenance hardware/communications network/software |
| ***Legal*** | ▪ Future organisational legal status i.e. ICSs<br>▪ Changes due to reversion to UK law<br>▪ Regulatory environment i.e. regulatory checks, CQC, NICE guidelines, governance etc.<br>▪ Potential future changes to staff terms and conditions<br>▪ Changes to drug and equipment licencing between EU and UK |
| ***Environmental*** | ▪ Estates i.e. available estate to meet expectations and requirements.<br>▪ Lack of space for co-location of services<br>▪ Investment in smart buildings control systems<br>▪ Corporate responsibility to environmental factors e.g. carbon footprint, recycling etc.<br>▪ Increasing estate and utility costs |

## Going Concern

The financial statements have been prepared on a going concern basis. A detailed paper was reviewed by both the Finance and Performance and Audit Committees who have determined that it is appropriate to prepare the financial statements on a going concern basis. This paper set out the key financial indicators drawn from both the temporary financial regime due to Covid-19 and the Trust's draft finance plan for 2020/21.

The Trust reported a deficit of £7.96m in 2019/20. However, this includes a £8.0m non-recurrent loss on transfer by absorption in respect of the Trust's transfer of services in Wigan to a new provider. Excluding this one-off item the Trust's adjusted financial position for 2019/20 is a surplus of £0.005m against a planned deficit of £0.3m, showing a favourable variance £0.305m. The performance in the year required interim revenue support to be provided of £7.6m.

Due to the current Covid-19 crisis, the national operating planning process for 2020-21 has been suspended and emergency alternative funding arrangements have been put in place by the Department of Health. Prior to the implementation of these measures, the Trust had produced and submitted a draft operating plan in line with local health system requirements and partners. This forms the basis of the 2020-21 Trust plan and is reflected in the operational budgets set for 2020-21.

In its place all NHS Providers were moved to block contract payments on account for an initial period to 31st July 2020, however this has recently been extended to 31st October 2020 as a minimum. In addition, there is also a top up mechanism available that is funded centrally to ensure all Trusts achieve a break-even position.

As with any financial plan, there are potential risks and opportunities to its delivery. The Board is confident that any risks can be successfully mitigated through focused scrutiny on the output of the service line reporting programme implemented by the Trust in 2017/18 and in conjunction with our commissioners.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £26,180k are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust. Therefore the Trust does not anticipate requiring any further financial support to be provided to enable the Trust to meet its debts as they fall due over the foreseeable future, which is defined as the period of 12 months from the date the accounts are signed and will be able to provide ongoing healthcare services.

The accounts do not include any adjustments that would result if the Trust was unable to continue as a going concern.

## 2.2 Performance Analysis

Due to the COVID-19 pandemic this section of the report is not required for the Annual Report as per the revised Annual Reporting Manual April 2020.

The performance analysis will form part of the Annual Quality Accounts which is due for publication later in the year.

### Financial Performance for 2019/20

Due to the COVID-19 pandemic this section of the report is not required for the Annual Report as per the revised Annual Reporting Manual April 2020.

**Events After the Reporting Period**

Due to the COVID-19 pandemic this section of the report is not required for the Annual Report as per the revised Annual Reporting Manual April 2020.

Conversion of Interim Loans to Public Dividend Capital

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. Given this relates to liabilities that existed at 31 March 2020, DHSC has updated its Group Accounting Manual to advise this is considered an adjusting event after the reporting period for providers. Outstanding interim loans totalling £26,180k as at 31 March 2020 in these financial statements have been classified as current as they will be repayable within 12 months.

Transfers of service

On 1st April 2020:

- the Trust's services in St Helens transferred to a new provider, St Helens and Knowsley Teaching Hospitals NHS Trust, as part of a planned move towards the establishment of a Local Care Organisation. This accounts for 4.77% of total contract income and 4.66% of total expenditure in 2019/20.
- the Trust's Health & Justice services transferred to a new provider, Greater Manchester Mental Health NHS Foundation Trust. This accounts for 11.58% of total contract income and 10.95% of total expenditure in 2019/20.

**Future Financial Performance**

Due to the COVID-19 pandemic this section of the report is not required for the Annual Report as per the revised Annual Reporting Manual April 2020.

### Anti-Fraud, Bribery and Corruption Measures

Bridgewater Community Healthcare NHS Foundation Trust takes a zero tolerance position towards fraud in all its forms and is committed to preventing fraud, bribery and corruption from occurring within the organisation. The provision of anti-fraud, bribery and corruption services to the Trust is contracted to Mersey Internal Audit Agency (MIAA). It is the role of the Local Counter Fraud Specialist (LCFS) to implement the wide-ranging strategy and standards of the NHS Counter Fraud Authority (NHSCFA), the national body responsible for fraud in the NHS. The agreed work programme delivered by the LCFS is monitored by the Executive Director of Finance and reported to the Audit Committee. With the NHSCFA estimating the cost of fraud to the NHS to be £1.27 billion a year, all NHS staff have a responsibility to ensure that public funds are safeguarded and to report any concerns or suspicions regarding fraud, bribery or corruption.

The LCFS works to: 'inform and involve' staff and the general public by raising fraud awareness and creating and maintaining an anti-fraud culture across the Trust; 'prevent and deter' fraud by stopping it from occurring in the first place and putting off those who may be tempted to commit it; and, 'hold to account' those who commit offences by criminally investigating all appropriate allegations. A number of key tasks were undertaken by the LCFS to combat fraud and bribery, including: the delivery of Corporate Induction to new staff and training to other staff groups; circulation Trust-wide of relevant articles and newsletters via Bridgewater Bulletin; review of Trust policies and procedures to ensure that they contain adequate anti-fraud, bribery and corruption measures; and, completion of local and national proactive detection exercises to assist in identifying fraud and key fraud risk areas, as well as system weaknesses. All allegations of fraud, bribery and corruption received by the Trust are dealt with and investigated in line with the Trust's Anti-Fraud, Bribery and Corruption Policy, taking into account other relevant policies including the Managing Conflicts of Interest in the NHS Policy and the Disciplinary Policy.

## Environmental management and sustainability

Due to the COVID-19 pandemic this section of the report is not required for the Annual Report as per the revised Annual Reporting Manual April 2020.

## Social, community and human rights issues

The NHS Long Term Plan published in 2019 places great emphasis on health inequalities in England's diverse communities, this is important as while for some life expectancy is increasing, for a great many others it is stalling or indeed decreasing.

While health inequalities are defined as the differences in the status of people's health the phrase is also commonly used to refer to the differences in care and outcome, (including access, quality, experience, prevalence, behavioural risks to health, and the social determinates set out in Marmots Fair Society, Healthy Lives) that people receive and the opportunities they have to live healthy lives.

It is a social, equality and human rights issue that for some groups, particularly the protected characteristic groups, people from low socio-economic backgrounds and other vulnerable groups such as the homeless, carers and asylum seekers/refugees, their chances of living long, disability free, healthy lives are significantly less than for others.

As a Trust it is important that we understand the health inequalities and other challenges that face people in the communities we serve, and that we design and deliver services that address these. Supporting access and inclusion and ensuring that principles such as equality, dignity, fairness, independence and respect are important in all we do as a Trust, for both patients and for our employees.

Our five year Strategy, Quality and Place, was developed with support from our communities and local healthcare partners and places two key priorities at its heart – that the care we provide should be effective, should meet individual and community need, and should be of the highest quality; and that the design and delivery of services should have place, that is our diverse communities and the challenges in our boroughs in relation to health inequalities, firmly at the centre.

In 2019 we launched our Equality, Diversity and Inclusion Strategy 2019 – 2022, this placed equality and human rights at the centre of all Trust business – Everyone's Every Day. The Strategy and Equality Objectives seeks to ensure that the work we do complies with legislation such as the Human Rights Act 1998 and the Equality Act 2010. In recognition of the challenges our communities face, in addition to the nine protected characteristic groups, the Trust has chosen to also recognise and commit to identifying and removing barriers to access and reducing health inequalities for other vulnerable health groups including carers, sex workers, military veterans, those with chaotic lifestyles such drug or alcohol abuse, our prison communities and asylum seekers/refugees.

More information on the work taking place within the Trust on equality, diversity, inclusion and human rights can be found on our webpage.

**There are no overseas operations to declare.**

**The Performance Report for Bridgewater Community Healthcare NHS Foundation Trust was approved by the Board on 6 July 2020**

***Accounting Officer Colin Scales (Chief Executive)***

***6 July 2020***

# 3. Accountability Report

## 3.1 Directors' Report

### Directors' statement

As directors, we take responsibility for the preparation of the annual report and accounts. We consider the annual report and accounts, taken as a whole, to be fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

### The Board of Directors

Bridgewater Community Healthcare NHS Foundation Trust was authorised and awarded its Foundation Trust Licence by the independent regulator Monitor on 1 November 2014.

The Trust Board has overall responsibility for leading and setting the strategic direction for the organisation. It is also takes a lead in holding the Trust to account for the delivery of the strategy, through monitoring performance and seeking assurance that systems of control are robust and reliable. This includes ensuring the delivery of effective financial control, high standards of clinical and corporate governance and promoting partnership working in the communities we serve. The Board is also responsible for shaping the culture of the organisation.

The Board consists of both Executive and Non-executive Directors. We consider each Non-executive Director to be independent. The length of each Non-executive Director appointment is detailed in the biographies below.

The directors of the Bridgewater Community Healthcare NHS Foundation Trust for the period 1 April 2019 to 31 March 2020 were as follows:

| | |
|---|---|
| **Karen Bliss**<br>**Chair**<br><br>  | Karen qualified as a Chartered Accountant in 1991 after joining PricewaterhouseCoopers as a graduate trainee. She has held a variety of roles within the company at senior management level and has worked in audit, business assurance and due diligence.<br>She was originally appointed to the Board of Ashton, Leigh and Wigan Community Healthcare in 2008 and appointed to the Board of Bridgewater in 2010.<br>Karen held the position of Interim Trust Chair from 1 July 2018 to 30 September 2018. She acted as Vice Chair from 1 October 2018 following the commencement of Andrew Gibson as Trust Chair. |

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| | After Andrew's departure in July 2019, Karen again held the position of Interim Trust Chair and was subsequently appointed to the Chair role on 23 September 2019.<br><br><u>Qualifications</u><br>BA (Hons) Engineering, Cambridge University<br>Fellow of The Institute of Chartered Accountants (FCA) |
| **Andrew Gibson**<br>**Chair** | Andrew Gibson became the Trust Chair on the 1 October 2018. He left the Trust on the 19 July 2019. |
| EXECUTIVE TEAM | |
| **Colin Scales**<br>**Chief Executive Officer**<br>  | Colin joined the NHS in 1994 after leaving university and has undertaken a range of roles within commissioning, operational management and the Department of Health during his career. As an Executive Director he has been responsible for developing strong relationships between organisations, developing leadership capacity and introducing systems to support managers to improve the performance of services.<br>He has experience of working in a number of different NHS Trusts and was a member of a Trust Board that successfully achieved Foundation Trust status.<br>Colin joined the Trust on 9 November 2011 as Chief Operating Officer and was appointed to the position of Chief Executive Officer on 1 April 2015.<br><u>Qualifications</u><br>BA (Hons) Degree in Geography, University of Salford<br>Cranfield University, School of Management, Strategic Leadership Executive Programme, May 2014<br>NHS Top Leaders Programme 2014/15 |
| **Dr Alex Crowe**<br>**Medical Director**<br>  | Alex was appointed as Medical Director on 1 October 2019 as a joint appointment with Warrington and Halton Hospitals NHS Foundation Trust. Alex has been appointed to provide senior executive medical leadership. Alex is also the Trust's Clinical Chief Information Officer and Responsible Officer appraiser for NHS England.<br><br>Dr Alex Crowe is a Consultant Nephrologist joined Warrington and Halton Hospitals NHS Foundation Trust (WHH) initially as Deputy Medical Director in December 2016 and became Medical Director in October 2017.He joined WHH from Arrowe Park Hospital and Countess of Chester Hospitals where he was Consultant Nephrologist. He was also the Renal Lead for Cheshire and Merseyside clinical networks. He has also worked as a Secondary Care Doctor in Manchester involved in promoting Healthcare Devolution in Manchester. Alex was Director of Medical Education for WHH in 2019. Alex supports |

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| | the Royal College of Physicians for a number of courses such as Physicians as Educators, Mentoring, Appraisal and Revalidation and Leadership. Alex trained at St Thomas's Hospital, London. |
| **Dr David Valentine**<br>**Medical Director** | Dr David Valentine joined the Trust on the 1 April 2018. David left the Trust on the 13 June 2019. |
| **Lynne Carter**<br>**Chief Nurse/Chief Operating Officer**<br>  | Lynne has been Chief Nurse in acute, community and integrated providers and has also been Head of Governance and Chief Operating Officer. She has extensive experience in developing new roles in order to meet the changing needs of healthcare including Advanced Clinical Practitioners, Nursing Associates and Consultant Nurse and Therapists.<br>As an interim Lynne has delivered financial turnaround, safeguarding systems and new clinical pathways and is confident in all areas of leadership and management.<br>Lynne remains a committed clinician with a strong professional perspective and belief in supporting healthcare services which meet the needs of local populations.<br>Lynne joined the Trust on 23 March 2018 as an Interim Chief Nurse and was appointed in substantive role from the 1 May 2018. She was also appointed to the role of Chief Operating Officer from 13 July 2019. Lynne is also a Freedom to Speak Up Guardian.<br><u>Qualifications</u><br>Post Graduate Diploma Medical Law<br>Post Graduate Diploma Professional Studies in Management<br>BSc (Hons) Nursing Studies<br>Registered Nurse - Learning Disabilities<br>Registered Nurse - Adult |
| **Michelle Cloney**<br>**Director of Workforce and Organisational Development, joint post with Warrington and Halton Foundation NHS Trust**<br>  | Michelle was appointed as Director Workforce and Organisational Development on 7 January 2019 as a joint appointment with Warrington and Halton Hospitals NHS Foundation Trust. Michelle has been appointed to provide senior executive HR leadership.<br><br>Michelle was appointed Director of Human Resources and Organisational Development at Warrington and Halton Hospitals NHS Foundation Trust from November 2017 after occupying the interim position since March 2017.<br>Prior to this she was Associate Director of Workforce at Pennine Lancashire Transformation Programme and Senior Responsible Officer for Workforce, Organisational Development and Leadership working across organisational boundaries within East Lancashire and Blackburn with Darwen, including both Clinical Commissioning Groups, two Local |

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| | Authorities, one Acute Hospital and one Mental Health Trust.<br><br>Michelle has worked in the NHS since 1984 initially joining the nursing profession and through this developed a passion for developing staff so they could deliver excellent care to patients and service users. In 1997 she moved into Human Resources and Organisational Development and has gained extensive knowledge and experience in the management of HR services, employee engagement, staff wellbeing, and multi-professional education.<br><br>Michelle is committed to supporting staff to put our patients at the heart of all we do and to enable them to recognise the Trust as a great place to work and receive care. |
| **Nick Gallagher**<br>**Director of Finance**<br>  | Nick is a member of the Chartered Institute of Management Accountants and started his career in the private sector in 1988.<br><br>Nick has extensive NHS experience having worked in the NHS for 25 years in numerous organisations including PCT, community providers and shared services.<br>He was Interim Deputy Director of Finance for two years at Bridgewater before being appointed as Executive Director of Finance in December 2018.<br>Married with three daughters, Nick has lived for 38 years in the local borough of Warrington.<br>Nick joined the Board of Bridgewater in January 2019.<br><br><u>Qualifications</u><br>Chartered Institute of Management Accountants |
| **Prof Simon Constable**<br>**Medical Director, joint post with Warrington & Halton Foundation NHS Trust** | Prof Simon Constable joined the Trust on the 1 July 2019.<br>Simon left the Trust in October 2019 when he took the position of Chief Executive Officer at Warrington and Halton Hospitals NHS Foundation Trust.<br>A consultant physician and clinical pharmacologist by background, he studied medicine at Guy's and St Thomas' Hospitals in London. Undertaking postgraduate training in the UK and New Zealand, he has had several clinical leadership roles at the Royal Liverpool and Broadgreen University Hospitals. Prior to taking up the post at Warrington and Halton, Simon worked with the NHS Leadership Academy, Harvard University and the Institute for Healthcare Improvement on clinical leadership, employee engagement and transformational change within the NHS. He is a visiting professor at the University of Chester. |

| NON-EXECUTIVE TEAM | |
|---|---|
| **Dorothy Whitaker**<br>**Non-Executive Director**<br>  | Dorothy originally trained as a nurse and worked in London before returning to the North West. She has 20 years' experience in the third sector and has undertaken a range of roles involving the development of innovative solutions to health and social care issues. Her final post was as Chief Officer for Blackburn with Darwen Council for Voluntary Service.<br><br>Dorothy was appointed to the Board of NHS Ashton, Leigh and Wigan Primary Care Trust in 2006 and later joined the predecessor organisation to Bridgewater (Ashton, Leigh and Wigan) Community Healthcare in March 2008.<br><br>Dorothy also held the position of Vice Chair until 30 September 2018. She now holds role of Chair of Workforce and Organisational Development Committee.<br><br><u>Qualifications</u><br>State Registered Nurse Certificate<br>OU Post Experience Certificate – Handicapped Person in the Community. |
| **Linda Chivers**<br>**Non-Executive Director**<br>  | Linda is currently Audit Chair and a member of the Governing body of Chorley and South Ribble CCG, having joined pre authorisation. Until June 2018 she was Chief Executive of Age Concern Central Lancashire, a post she held since 1997. She is a chartered management accountant with many years of experience working in the not-for-profit and service industries.<br>During her time with Age Concern Central Lancashire she was actively involved in developing collaborative approaches to working, ensuring services which supported people in later life were informed by and met their needs and was a Non-executive Director of Age Concern Support Services (North West) and Age Concern Enterprises Ltd.<br>Linda joined the Trust on 21 May 2018. She holds the position of Audit Committee Chair in the Trust.<br><br><u>Qualifications</u><br>BA Accountancy and Computer Science<br>Member of the Chartered Management Accountants Associations – status – ACMA |

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| **Marian Carroll**<br>**Non-Executive Director** | Marian Carroll joined the Trust in September 2015.<br>Marian left the Trust on 30 June 2019. |
| **Sally Yeoman**<br>**Non-Executive Director and Senior Independent Director**<br><br>  | Sally started her career working in services for adults with learning disabilities and has since had more than 10 years' experience leading charitable organisations which support community, voluntary, not for profit and faith groups. She is an Institute of Directors certified Company Director and is currently Chief Executive Officer at Halton and St Helens Voluntary and Community Action.<br><br>Sally joined the Trust in January 2012. From 1 January 2015 Sally held the position of Senior Independent Director. It is a requirement for foundation trusts to appoint a Senior Independent Director (SID) who is available to members and governors if they have concerns that cannot be resolved through normal channels.<br><br>Sally has held the position of Quality and Safety Committee Chair from June 2019 following the departure of the previous chair, Marian Carroll.<br><br><u>Qualifications</u><br>BSc (Hons) in Sociology<br>Institute of Directors Certificate in Company Directorship |
| **Steve Cash**<br>**Non-Executive Director**<br>  | Steve has held a number of senior roles in commercial management, strategic partnership and financial management spanning 30 years and most recently held a senior leadership position within the FTSE 100 company BT. He has broad leadership and business skills including strategy, finance, marketing, partnering and operational management.<br>He was originally appointed to the Board of Ashton, Leigh and Wigan Community Healthcare in 2008 and appointed to the Board of Bridgewater in 2010.<br><br>Steve holds the position of Finance and Performance Committee Chair in the Trust.<br><br><u>Qualifications</u><br>Global Partner Vision programme – Harvard and Beijing University<br>Diploma in Marketing – Manchester University<br>BA Business Studies – University of Central Lancashire |

## Balance, Completeness and Appropriateness of Board Membership

Our Board is satisfied that it has the appropriate balance of knowledge, skills and experience to enable it to carry out its duties effectively. This is supported by the Council of Governors which takes into consideration the collective performance of the Board via the Nomination Committee.

## Performance Evaluation of the Board

During the year, the Board undertook a review of its effectiveness by its internal auditors MIAA, with the output of the exercise used to inform the board development programme in place throughout the year. The Trust has used a combination of internal subject matter experts and external development support. All Board members have an appraisal with the Chair or Chief Executive, and the Council of Governors oversee the performance review of the Chair and the Non-executive Directors of the trust to help inform their decisions on the re-appointment or termination of Non-executives as necessary.

The Board meets on a bimonthly basis, allowing the intervening month to be spent on a half-day of development as a team. This has proved invaluable in enabling the board to spend time debating in depth the issues facing the Trust. It has also allowed time for personal and team development.

Non-executive Directors' appointments may be terminated on performance grounds or for contravention of the qualification criteria set out in the Constitution with the approval of three quarters of the Council of Governors or by mutual consent for other reasons. There is no provision for compensation for early termination or liability on the Trust's part in the event of termination.

During 2019/20, the terms of reference of all Board Committees have been reviewed. Each meeting of the Board or Committee undertakes a review at the end of its meeting, with feedback provided to improve the performance in the coming months. This process is supplemented by pre-meets to set the agenda and to improve the function of the meeting. Formal evaluation is undertaken annually by means of a questionnaire to all attendees.

## Register of Interests

The foundation trust has published on its website an up-to-date register of interests, including gifts and hospitality. This applies to all decision-making staff, staff of Band 7 and above and any other member of staff with an interest to declare over within the past twelve months as required by the Managing Conflicts of Interest in the NHS guidance. For these purposes we have interpreted 'decision making staff' as:

- Executive and non-executive directors (or equivalent roles) who have decision making roles which involve the spending of taxpayers' money
- Members of advisory groups which contribute to direct or delegated decision making on the commissioning or provision of taxpayer funded services
- Staff at Agenda for Change band 7 and above
- Administrative and clinical staff who have the power to enter into contracts on behalf of their organisation
- Administrative and clinical staff involved in decision making concerning the commissioning of services, purchasing of good, medicines, medical devices or equipment, and formulary decisions

## Board Committees

A schedule of director attendance for all committees can be found at Appendix 1.

## Audit Committee

The aim of the Audit Committee is to provide the Board of Directors with a means of independent and objective review of financial and corporate governance, assurance processes and risk management across the whole of the Trust's activities (clinical and non-clinical) both generally and in support of the Annual Governance Statement.

In addition, the Audit Committee:

- Provides assurance of independence for external and internal audit.
- Ensures that appropriate standards are set and compliance with them is monitored, in non-financial, non-clinical areas that fall within the remit of the Audit Committee Monitors corporate governance (e.g. compliance with codes of conduct, standing orders, standing financial instructions, maintenance of registers of interests).
- Ensures the provision of an effective system of internal control and risk management including the Trust's financial controls.

The Audit Committee started the financial year with four Non-Executive Directors, this was reduced to three Non-Executive Directors when one NED left the Trust. The remaining members include the Chair of the Finance & Performance Committee and the Chair of the Workforce and Organisational Development Committee.

The Committee has met on seven occasions, two of which were extraordinary meetings, throughout the reporting period. The Committee Chair, the Director of Finance, and the Internal Audit Manager routinely attend meetings of the Audit Committee.

External audit representatives and a representative of the local counter fraud service also regularly attend Audit Committee meetings as do Trust Directors and/or their staff in respect of issues which the Audit Committee consider to be of risk or special interest.

A schedule of attendance at the meetings is provided in appendix 1 which demonstrates the compliance with the quorate requirements and regular attendance by those invited by the Committee.

The Trust's internal audit function is carried out through Mersey Internal Audit Agency (MIAA). The Trust's external auditors are KMPG.

**Self-Assessment:**

During the financial reporting period for 2019/20 the Committee have complied with 'good practice' recommended through:

- Agreement of Internal and External Audit and Counter Fraud plans.
- Regular review of progress and outcomes, i.e. risks identified and internal audit action plans agreed.
- Private meetings with External, Internal Audit and Counter Fraud.
- Regular review of the Audit Committee work plan.
- Review of the Committee's Terms of Reference.

**Audit Committee Business**

Counter Fraud

During the year, the Committee has reviewed the progress of the Local Counter Fraud Specialist's programme of work. The Counter Fraud Plan has been delivered in accordance with the schedule of days agreed with the Committee at the start of the financial year.

Internal Audit

Throughout the year the Committee has worked effectively with the internal auditors to strengthen the Trust's internal control processes. The Internal Audit Plan has been delivered in accordance with the schedule of days agreed with the Committee at the start of the financial year. During the year, some agreed amendments to the plan had been approved by the Audit Committee. The Committee Chair reported these amendments to the Board.

During the year MIAA has completed 15 internal audit reviews, covering both clinical and non-clinical systems and processes.

The detail of these audits is provided in the Annual Governance statement.

The Committee has ensured that, where gaps in assurance are identified, appropriate action plans are agreed with management, and progress against these plans is regularly reviewed by management, internal audit and the Committee.

The Trust has a Finance and Performance Committee which looks at the challenges and issues associated with financial planning and forecasting, and the Audit Committee will seek assurances in respect of the processes and work undertaken.

During the course of the year the Trust has taken steps to address and strengthen its systems of internal control across a range of areas, including developing the Board Assurance Framework arrangements and enhancing the follow up process to improve monitoring and timely implementation of actions.

During the year MIAA has completed 15 internal audit reviews, covering both clinical and non-clinical systems and processes and formed a view on the level of assurance as follows:

| **INTERNAL AUDIT PLAN OUTPUTS** | **ASSURANCE LEVEL** |
|---|---|
| Assurance Framework | NHS requirements met |
| Board Committee effectiveness | Not applicable |
| Conflicts of Interest | Partial compliance |
| Woodview Action plan | Not applicable |
| Risk Management | Substantial |
| Cost Improvement Programme | Moderate |
| Key Financial Systems | Substantial |
| ESR Payroll System | Moderate |
| Staff Engagement | Substantial |
| Attendance Management re-audit | Substantial |
| Data Security & Protection Toolkit | Substantial |
| IT Mobile Computing & IT Asset Management | Moderate |
| CQC Quality Spot Checks | Limited |
| Complaints Health & Justice System | Substantial |
| Trust Improvement Plan | Substantial |

In addition, there are two reviews that will conclude early in 2020/21:

- Business case development and approval
- Data Warehouse

  Three audits were carried forward to 2020-21:
- Risk Management
- Quality Spot Checks re-audit
- IT EMIS web

These audits were all presented to the Audit Committee for oversight and to provide assurance. Individual committees take responsibility for tracking progress against recommendations and action plans. The Quality and Safety Committee were also in receipt of the progress of Clinical Audit programmes across the Trust.

External Audit

The Trust's external auditor PricewaterhouseCoopers (PwC) served notice on their contract during the year and KPMG were appointed to audit the Annual Report and Accounts 2019/20. The year-end external audit emphasises matters in relation to risks (relevant to audit) faced by the Trust, its use of resources, value for money, ability to continue as a going concerns and any areas of material uncertainty which the Audit Committee then uses to direct its work in the subsequent year.

The Annual Report and Accounts 2019/20 includes KMPG's external audit opinion.

## Disclosure to Auditors

So far as the directors are aware, there is no relevant audit information of which the NHS Foundation Trust's auditors are unaware.

The directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information. Furthermore, the Trust has made all relevant audit information available to the external auditor, KPMG LLP, and the cost of work performed by them in the accounting period is as follows:

| Category | 2019/20 (£000) | 2018/19 (£000) |
|---|---|---|
| **Audit services** | **100** | **75** |
| **Further assurance services** | **-** | **-** |
| **Other services** | **-** | **11** |
| **Total** | **100** | **86** |

KPMG LLP does not provide any non-audit services. ('Further assurance services' is in relation to the review of the Quality Report, however this has been suspended for 2019/20 due to the COVID-19 pandemic)

The Trust undertook a tender exercise for external audit services in January 2020, which was unsuccessful. KPMG LLP were later appointed as the Trust's external auditors.

## Systems of Internal Control

As outlined in the previous section, the Board and its committees are responsible for monitoring the Trust's governance structure and systems of internal control to ensure that risk is managed to a reasonable level and that governance arrangements exist to enable the Trust to adhere to its policies and achieve its objectives.

Ongoing assurance that the Board is sighted on its key strategic risks is provided in the Board Assurance Framework (BAF). In February 2019, MIAA conducted a review to assess the approach to which the organisation maintains and uses the Assurance Framework to support the overall assessment of governance, risk management and internal control. The opinion and assurance statement found the Assurance Framework is structured to meet NHS requirements, is visibly used by the Board and clearly reflects the risk discussed by Board.

More detail is contained in the Annual Governance Statement.

In line with the requirements of the Financial Reporting Manual (FReM) paragraph 5.3.9, the Directors make the following statements on behalf of the Trust:

Bridgewater has complied with the cost allocation and charging guidance issued by HM Treasury.

It has not made any political donations.

## Better payment practice code (BPPC)

The better payment practice code gives NHS organisations a target of paying 95% of invoices within agreed payment terms or in 30 days where there are no terms agreed.

| | 2019/20 Number | 2019/20 £'000 | 2018/19 Number | 2018/19 £'000 |
|---|---|---|---|---|
| **Non-NHS Payables** | | | | |
| Total Non-NHS Trade Invoices Paid in the Year | 16,296 | 26,728 | 25,083 | 32,935 |
| Total Non-NHS Trade Invoices Paid Within Target | 6,114 | 10,001 | 17,000 | 21,292 |
| Percentage of Non-NHS Trade Invoices Paid Within Target | 37.5 | 37.4 | 67.8 | 64.6 |
| **NHS Payables** | | | | |
| Total NHS Trade Invoices Paid in the Year | 999 | 14,404 | 1,241 | 22,566 |
| Total NHS Trade Invoices Paid Within Target | 357 | 6,028 | 709 | 15,254 |
| Percentage of NHS Trade Invoices Paid Within Target | 35.7 | 41.8 | 57.1 | 67.6 |

## Income disclosures

The directors can confirm that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

## Finance and Performance Committee

The Committee is responsible for monitoring the overall financial performance of the organisation including the delivery of the cash-releasing efficiency savings and within this to be satisfied that any risks to quality have been mitigated to an acceptable level.

Its duties are to:

- Oversee the financial performance of the organisation, reporting to the Board the likely future financial position of the Trust.
- Ensure delivery of the Trust's cost improvement programmes (CIP).
- Receive assurance from the Trust Directors in respect of borough performance
- Consider the draft Annual financial, activity and workforce plans
- Consider the Trust's Business Plan
- Oversee the negotiation of contracts with the organisation's commissioners
- Oversee Digital Strategy
- Oversee the Estates Strategy

## Remuneration Committee of the Board

The overarching role and purpose of the Nominations and Remuneration Committee is to be responsible for identifying and appointing candidates to fill all the Executive Director positions on the Board and for determining their remuneration and other conditions of service. Further details on the work of the Committee are included with the Remuneration report at Section 3.2.

## Quality and Safety Committee

The Quality and Safety Committee enables the Board to obtain assurance that high standards of care are provided by the Trust and, in particular, that adequate and appropriate governance structures, processes and controls are in place throughout the Trust.

The Committee's duties include the review and approval of the Trust's Quality Strategy, underpinning frameworks and supporting plans/strategies and the agreement of quality governance priorities to inform strategy and to give direction to quality governance activities across service areas.

The Committee reviews compliance with policy in relation to Infection Prevention and Control, Health and Safety, Complaints, Claims, Incident reporting, Safeguarding and Equality and Diversity.

## Workforce and Organisational Development Committee

The Workforce and Organisational Development Committee provides assurance to the Board on the development, implementation and effectiveness of Workforce, Staff Engagement, Learning and Development and Organisational Development strategies.

The Committee's duties include assurance to the Board that the implementation of the 'people elements' of the organisational strategy to develop a clinically led, locality-based organisation is well designed and operating effectively.

The Committee enables the Board to obtain assurance that the Trust is compliant with all Human Resources, legal and regulatory requirements in line with the Trusts licence, employment legislation and best practice.

## NHS Improvement's well-led Framework

During 2019/20 the Trust established a CQC Preparation Group which is responsible for monitoring the work programme in relation to the Well Led programme. This Group is chaired by a Non-executive Director and has the whole executive team as members. The senior leadership team is fully engaged in delivering the NHS Improvement's Well Led programme and is actively taking part in the 'Moving to Good' programme that NHSI delivers. The monthly Senior Leadership Team meetings also drive forward the well-led framework and take the lead in disseminating it throughout the Trust.

There are no material inconsistencies between:

- the annual governance statement,
- annual and quarterly board statements required by the Risk Assessment Framework,
- the corporate governance statement with the annual plan,
- the quality report, and
- annual reports and reports arising from the Care Quality Commission planned and responsive reviews of the NHS Foundation Trust and any consequent actions plans developed by the NHS Foundation Trust.

## Council of Governors

In 2019 Bridgewater Community Healthcare NHS Foundation Trust held elections for its Council of Governors.

The elections, launched in May 2019, sought governors to represent the constituencies that now represent our core business.

The Trust's constitution was reviewed in light of the transition of services in Wigan previously provided by Bridgewater to Wrightington, Wigan and Leigh NHS Foundation Trust and services in Bolton provided by Bridgewater transferring to the management of Bolton Hospitals NHS Foundation Trust.

The changes reflect the national drive towards the creation of integrated care partnerships combining acute and community services, supported by social care and voluntary and third sector organisations.

As a result of the transition our elections focused on seeking candidates to represent; Halton, Warrington and the Rest of England. In Halton and Warrington there were four vacancies advertised in each of the constituencies and in the Rest of England five.

The Trust membership as at April 1, 2019 totalled 12,222 including public and staff members. However, following the transition of staff and public members as described above, this reduced significantly.

Following an exercise in which we wrote to all our Wigan and Bolton members asking if they wished to retain their membership of Bridgewater, transfer their membership to Wrightington, Wigan and Leigh NHS FT or Bolton Hospitals NHS FT, a total of 2488 chose to transfer their memberships.

Governors representing those members also left the organisation. In addition approximately 1,000 staff members "left" Bridgewater, choosing to transfer their membership to their new employers.

Similarly staff governors representing their colleagues left the organisation. Thus the size of the organisation's constitution was reduced significantly.

The decision was also taken to transfer our St Helens members into the Rest of England constituency. The Rest of England constituency comprises services provided by Bridgewater in St Helens, the health and justice services, community dental services and Oldham borough.

The vacancies were advertised via a range of media and communication channels across all areas served by the Truest and in August 2019 we published the results of the election which was managed on our behalf by Electoral Reform Services.

The key roles/responsibilities of the Council of Governors are set out below. However in addition to representing their members the Council has played a significant part in the business of the organisation.

In September 2019, public and staff governors played a key role in the appointment of the Trust Chair and provide an overview of the Non-executive Director's performance at the Council of Governors meetings. These meetings are six times a year and the Trust hold its annual members meeting in September.

The meetings in 2019, included the annual Bridgewater staff awards.

Key responsibilities include;

- Appointing the Chairman;
- Appointing the Non-executive Directors;
- Approving the appointment of the Chief Executive;
- Removing the Chairman and Non-executive Directors;
- Agreeing Non-executive Directors' terms and conditions, and
- Approving changes to the Constitution.

Governors' responsibilities include:

- Holding the Non-executive Directors individually and collectively to account for the performance of the Board;
- Appointing and removing external auditors;
- Receiving the Annual Report and Accounts;
- Being consulted on proposed changes and providing feedback on the future direction of the NHS Foundation Trust, and
- Representing the interests of members and public.

The 2019/20 Council of Governors' membership is shown below:

| Constituency | Governor | Date of election |
|---|---|---|
| Public: Halton (1) | Diane Mc Cormick | 29.07.19 |
| Public: Halton (2) | Peter Hollett | 29.07.19 |
| Public: Halton (3) | Vacancy | |
| Public: Halton (4) | Vacancy | |
| Public: Warrington (5) | Matt Machin | 29.07.19 |
| Public: Warrington (6) | George Scott Baron (died Oct 2019) | 29.07.19 |
| Public: Warrington (7) | John Hyland | 29.07.19 |
| Public: Warrington (8) | Paul Mendeika | 29.07.19 |
| Public: Rest of England (9) and Lead Governor | Rita Chapman | 29.07.19 |
| Public: Rest of England (10) | Bill Harrison | 29.07.19 |

| | | |
|---|---|---|
| Public: Rest of England (11) | Christine Stankus | 29.07.19 |
| Public :Rest of England (12) | Derek Maylor | 29.07.19 |
| Public: Rest of England (13) | Vacancy | |
| Staff: Registered Nurses and Midwives (14) | Corina Casey Hardman | 29.07.19 |
| Staff: Registered Nurses and Midwives (15) | Pam Rhys Davies (left Trust 31 March 2020) | 29.07.19 |
| Staff: Allied health professionals/other registered healthcare professionals (16) | Vacancy | |
| Staff: Clinical Support Staff including Assistant Practitioners/ Healthcare assistants and trainee clinical staff (17) | Vacancy | |
| Staff: Registered Medical Practitioners (18) | Vacancy | |
| Staff: Community Dental (19) | Vacancy | |
| Staff: Non-clinical support staff including managerial and administrative staff (20) | Dave Smith | 1/11/16 |
| Partner: Higher Education (21) | Janette Gray | 29.07.19 |
| Partner: voluntary sector (22) | Alison Cullen | 29.07.19 |

**Council of Governors Tenures – narrative**

(9) Rita Chapman elected as Lead Governor from 19/07/17 and re-elected 27/07/19

Non-executive Directors routinely attend Council of Governors meetings and all Governors are routinely invited to attend to observe those meetings of the Board of Directors which are held in public. Executive Directors attend meetings of the Council of Governors by invitation only for specific agenda items. The agendas for these meetings are structured to enable Governors to ask questions of the Board of Directors and to hold the Non-executive Directors to account for the performance of the Board.

Each Trust Board Committee (with the exception of the Nominations and Remuneration Committee) has a nominated Council of Governors attendee at each meeting, primarily to observe the performance of Non-executive Directors.

The Governors have not exercised their power under paragraph 10C of schedule 7 of the NHS Act 2006 to require one or more of the Directors to attend a Governor's meeting for the purpose of obtaining information about the Trust's performance of its functions or the Directors' performance of their duties. They have not proposed a vote on the Trust's or Directors' performance during the reporting year.

## Membership

In April 2019, the Trust reviewed its membership strategy and revised the supporting action plan in light of changes to its geographical footprint.

The transfer of services in Wigan and Bolton to Wrightington, Wigan and Leigh NHS FT and Bolton Hospitals NHS FT respectively reduced Bridgewater's membership considerably.

The organisation also lost the services of its public and staff governors in the borough. Coupled with this the size of the organisation's business, particularly in the St Helens borough has diminished and membership has decreased in the area as a result.

The Trust's membership is currently 6,756 public members the vast majority of which are classed as Rest of England. This constituency encompasses the community dental, health and justice and St Helens boroughs as well as a small number of people who reside out of area.

The staff membership is 1,932, this is actual members of staff rather than WTE referenced on page 5.

In May 2019, the Trust launched its elections for the Council of Governors. All of our members were sent information regarding the elections and the vacancies available. The election process was handled on behalf of the Trust by the Electoral Reform Society.

Details of how to progress nominations, timescales and the process were circulated and we were delighted by the response from our membership. Please see governors section for details of these elected to the Council of Governors in 2019.

The details of the successful candidates were published on the Trust's website as were profiles of each of the governors and photographs.

The focus for the year has been on developing meaningful engagement with its membership and work within the governing body has focused on how the organisation might best achieve this.

Our Membership Engagement Strategy and Action Plan details the channels available to governors and the Trust to communicate key initiatives and projects.

Our governors themselves utilise existing networks to inform their members of the work that is being done to address key concerns/ issues that have been brought to their attention and the local governor meetings give their elected representatives the opportunity to ask senior staff within the Trust about issues impacting on members living in their constituencies.

One of the key enablers to support this approach has been the continued development of robust relationships with its third sector partners. Very often groups/organisations working for and on behalf of the local population have a better understanding of need and shortfall.

The Trust's public governors continue to meet as a Council six times a year. In addition they meet as borough based groups where focus is on the operational issues impacting on the delivery of healthcare in the towns served by the organisation.

One of the key developments in the year has been greater governor representation at a number of key meetings in the boroughs; Healthier Warrington, Halton Peoples Health Forum are just some of the groups where our governors take the opportunity to engage with their members.

As we move into the next financial year, it will be important we capitalise on these relationships and work in partnership with our partners to provide our membership with a whole systems picture on the issues impacting in the areas in which they live and the developments which are intended to reduce some of the pressures faced.

This whole systems approach is being proactively managed across all levels of the organisation and our Council of Governors have already held a number of joint meetings in the acute sector to understand how they might work better together for the greater benefit of their respective members.

## Directors' statement

As directors, we take responsibility for the preparation of the Annual Report and Accounts. We consider the annual report and accounts, taken as a whole, to be fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

## 3.2 Remuneration Report

The remuneration report includes:

- Annual Statement on Remuneration
- Appointments & Remuneration Committee
- Senior Remuneration Policy
- Non-executive Director Remuneration
- Salaries and Allowances – Table x 2
- Fair Pay Multiple
- Exit Packages
- Service contracts
- Pension Benefits - Table
- Cash Equivalent Transfer Values (CETV)
- Real Increase in CETV

### Annual Statement on Remuneration

The **Nominations and Remuneration Committee** has met on five occasions between 1 April 2019 and the 31 March 2020.

During the period, the Committee reviewed the salary levels of all directors against national comparators as a part of the appointment process following the departure of previous incumbents. In order to reflect the prevailing market conditions salary levels of Medical Director, Director of Finance and Chief Nurse/ Chief Operating Officer were revised. The Trust received notification from NHSI encouraging provider chairs to implement the Ministers' recommendation of 2019/20 Very Senior Manager (VSM) pay award. Consequently the Executive Directors received a consolidated increase of 1.32% payable from 1 April 2019, plus a one-off non-consolidated cash lump sum of 0.77%.

The Nominations and Remuneration Committee is attended by all Non-executive Directors and is chaired by the Chair of the Trust. Throughout the course of the year, the Chief Executive, Director of People and Organisational Development and the Chief Nurse / Chief Operating Officer also attended the committee to provide advice or services. The committee sets the levels of pay for Executive Directors - and senior managers not remunerated under Agenda for Change pay arrangements. The committee approves the proposed appointment of Executive Directors. Contracts for Executive Directors are substantive unless or until the

individual elects to resign the role or is removed from the role. Notice periods for such Directors are six months. There are no contractual provisions for the early termination of Executive Directors.

**Appointments and Remuneration Committee – Council of Governors**

The Council of Governors appoints Non-Executive Directors, generally on three year contracts which can be renewed on expiry. Notice periods are generally one month. There are no contractual provisions for the early termination of Non-Executive Directors. Furthermore the committee operates an annual Performance Development Review process to agree the objectives for the following year and performance against these is then jointly assessed after the twelve month elapses. The cycle is then repeated on an ongoing annual basis.

## Senior Managers Remuneration Policy

With the exception of Directors and the CEO, all senior managers within the Trust are employed on Agenda for Change terms and conditions and associated salary scales. Bridgewater Community Healthcare NHS Foundation Trust has adopted the NHS VSM pay framework (PCT Band 4) as the salary scale for all Directors. This provides a spot salary for each post, based on a percentage of the CEO salary.

As outlined above, salary levels of the directors have been reviewed in year. The Trust is required to explain the steps taken to ensure remuneration is reasonable where one or more senior managers are paid more than £150,000. The CEO's salary is the only one greater than £150,000. The Nominations and Remuneration Committee considered the market rates using NHS Providers Annual Remuneration survey to provide benchmarking information, prompted by the need to recruit new directors, but extended to ensure parity between those already in post and newly appointed staff.

The Trust is required to report what constitutes the senior manager's remuneration policy in tabular format set out below:

| | |
|---|---|
| **Components of Remuneration Package of Executive and Non-executive Directors** | Basic pay in accordance with their contract of employment (executive) and letters of appointment (non-executive) |
| **Components of Remuneration Report that is relevant to the short and long term Strategic Objectives of the Trust** | The directors do not receive any remuneration tailored towards the achievement of Strategic Objectives |

| | |
|---|---|
| **Explanations of how the components of remuneration operate** | With the exception of Directors and the CEO, all senior managers within the Trust are employed on Agenda for Change terms and conditions and associated salary scales. Bridgewater Community Healthcare NHS Foundation Trust has adopted the NHS VSM pay framework (PCT Band 4) as the salary scale for all Directors. This provides a spot salary for each post, based on a % of the CEO salary. |
| **Maximum amount that could be paid in respect of the component** | Maximum payable is the director's annual salaries as determined by the NHS VSM pay framework (PCT Band 4). |
| **Explanations of any provisions for recovery** | If an individual is overpaid in error, there is a contracted right to recover the overpayment. |

There is no facility for performance related pay within the Trust's pay structure. As a Community Trust, with the requirement to travel across a wide geographical footprint, all directors are entitled to receive a lease car or take a car allowance equivalent to £5,700 pa.

All Directors are set annual objectives, in line with the organisational strategy and objectives and are assessed against these on an annual basis. There is input into the assessment from the Chairman and CEO (for directors). Should any director performance be determined to be at an unacceptable level, the Trust would use its agreed performance management policies and procedures. The assessment period runs from 1 April to 31 March each year.

All Directors have been issued with NHS contracts of employment, with notice periods not exceeding 6 months. There is no provision for any additional payments to be made to Directors over and above their agreed salary level and car allowance. There is no payment for loss of office, other than those terms contained in section 16 of the Agenda for Change terms and conditions relating to redundancy situations.

## Non-Executive Director Remuneration

The Remuneration levels for the Chair and Non-executive Directors are as follows:

- Chair: £65,000 p.a. from April 2019 to July 2019
- Chair £42,544 p.a from July 2019 to March 2020
- Non-executive directors £12,359 p.a
- Allowances for Chairs of committees/Senior Independent Director £1,500 p.a

There are no additional payments that are considered to be remuneration in nature.

The above remuneration levels were considered and agreed by the Council of Governors in line with NHS Improvement guidance.

The tables shown on the following pages provide information on the remuneration and pension benefits for Senior Managers for the period 1 April 2018 to 31 March 2020.

## Governor and Director Expenses

During the reporting period, a total of six governors claimed a total of £1,216 in expenses.
A total of nine directors (Executive and Non-Executive) claimed a total of £25,036 in expenses.

## Salaries and Allowances

Period from 1 April 2019 to 31 March 2020.
(The following table has been subject to audit)

| **Directors**<br>**Name and title** | **Salary at 31.3.2020**<br>**Bands of £5,000 £'000s** | **Taxable benefits at 31.3.2020**<br>**Total to nearest £100** | **Performance pay and bonuses at 31.3.2020**<br>**Bands of £5,000 £'000s** | **Long term performance pay and bonuses at 31.3.2020**<br>**Bands of £5,000 £'000s** | **All pension-related benefits at 31.3.2020 (1)**<br>**Bands of £2,500 £'000s** | **TOTAL at 31.3.2020**<br>**Bands of £5,000 £'000s** |
|---|---|---|---|---|---|---|
| **Andrew Gibson**<br>Chairman<br>In post to 19.7.19 | 25-30 | 17 | 0 | 0 | N/a | 25-30 |
| **Karen Bliss**<br>Chair<br>Non-Executive Director to 19.7.19<br>Interim Chair from 20.7.19 to 23.9.19<br>In post from 24.9.19 | 30-35 | 0 | 0 | 0 | N/a | 30-35 |
| **Colin Scales**<br>Chief Executive | 155-160 | 4 | 0 | 0 | 32.5-35 | 190-195 |
| **Michelle Cloney**<br>Director of Workforce and Organisational Development<br>Joint post with WHH NHS FT | 65-70 | 0 | 0 | 0 | 0 | 65-70 |
| **Lynne Carter**<br>Chief Nurse and Chief Operating Officer | 135-140 | 0 | 0 | 0 | 0 | 135-140 |
| **David Valentine**<br>Medical Director<br>In post to 13.6.19 | 30-35 | 0 | 0 | 0 | 0-2.5 | 30-35 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Simon Constable**<br>Medical Director<br>In post from 1.7.19 to 30.9.19 | 5-10 | 0 | 0 | 0 | 0 | 5-10 |
| **Alex Crowe**<br>Medical Director<br>In post from 1.10.19 | 15-20 | 0 | 0 | 0 | 0 | 15-20 |
| **Nick Gallagher**<br>Executive Director of Finance | 125-130 | 0 | 0 | 0 | 112.5-115 | 240-245 |
| **Sarah Quinn**<br>Director of Strategic Delivery<br>In post from 1.12.19 | 25-30 | 0 | 0 | 0 | 30-32.5 | 55-60 |
| **Linda Chivers**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Steve Cash**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Dorothy Whitaker**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Sally Yeoman**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Marian Carroll**<br>Non-Executive Director<br>In post to 30.6.19 | 0-5 | 0 | 0 | 0 | N/a | 0-5 |
| **Band of Highest Paid Director's Remuneration (£'000s)** | 155-160 | | | | | |
| **Median Total Remuneration (£)** | 30,112 | | | | | |
| **Ratio** | 5.2 | | | | | |

All of the above Directors were in post for the year ended 31 March 2020 except where indicated.

(1) Calculated in line with the prescribed guidance in Chapter 7 of the NHS Annual Reporting Manual for Foundation Trusts

## Salaries and Allowances

Period from 1 April 2018 to 31 March 2019.
(The following table has been subject to audit)

| **Directors**<br><br>**Name and title** | **Salary at 31.3.2019**<br><br>**Bands of £5,000 £'000s** | **Taxable benefits at 31.3.2019**<br><br>**Total to nearest £100** | **Performance pay and bonuses at 31.3.2019**<br><br>**Bands of £5,000 £'000s** | **Long term performance pay and bonuses at 31.3.2019**<br><br>**Bands of £5,000 £'000s** | **All pension-related benefits at 31.3.2019 (1)**<br><br>**Bands of £2,500 £'000s** | **TOTAL at 31.3.2019**<br><br>**Bands of £5,000 £'000s** |
|---|---|---|---|---|---|---|

| | | | | | | |
|---|---|---|---|---|---|---|
| **Harry Holden**<br>Chairman<br>In post to 30.6.18 | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Andrew Gibson**<br>Chairman<br>In post from 1/10/18 | 30-35 | 34 | 0 | 0 | N/a | 35-40 |
| **Colin Scales**<br>Chief Executive | 155-160 | 48 | 0 | 0 | 30-32.5 | 195-200 |
| **Michelle Cloney**<br>Director of Workforce and Organisational Development<br>In post from 7.1.19<br>Joint post with WHH NHS FT | 15-20 | 0 | 0 | 0 | 0 | 15-20 |
| **Lynne Carter**<br>Chief Nurse and Chief Operating Officer<br>In post from 1.4.18 | 130-135 | 0 | 0 | 0 | 0 | 130-135 |
| **Caroline Williams**<br>Acting Director of Operations<br>In post to 6.10.18 | 85-90 | 0 | 0 | 0 | 15-17.5 | 105-110 |
| **David Valentine**<br>Medical Director<br>In post from 1.4.18 | 125-130 | 0 | 0 | 0 | 50-52.5 | 175-180 |
| **Michael Barker**<br>Executive Director of Strategic Development<br>In post to 16.9.18 | 60-65 | 0 | 0 | 0 | 52.5-55 | 110-115 |
| **Nick Gallagher**<br>Executive Director of Finance<br>In post from 7.1.19 | 20-25 | 0 | 0 | 0 | 50-52.5 | 70-75 |
| **Sue Hill**<br>Executive Director of Finance<br>In post to 6.1.19 | 95-100 | 0 | 0 | 0 | 30-32.5 | 125-130 |
| **Linda Chivers**<br>Non-Executive Director<br>In post from 1.6.18 | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Karen Bliss**<br>Non-Executive Director<br>Interim Chair from 1.7.18 to 30.9.18 | 20-25 | 0 | 0 | 0 | N/a | 20-25 |
| **Steve Cash**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Dorothy Whitaker**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Sally Yeoman** | 10-15 | 0 | 0 | 0 | N/a | 10-15 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Non-Executive Director | | | | | | |
| **Margaret Pearson**<br>Non-Executive Director<br>In post to 30.9.18 | 5-10 | 0 | 0 | 0 | N/a | 5-10 |
| **Marian Carroll**<br>Non-Executive Director | 10-15 | 0 | 0 | 0 | N/a | 10-15 |
| **Band of Highest Paid Director's Remuneration (£'000s)** | 155-160 | | | | | |
| **Median Total Remuneration (£)** | 30,112 | | | | | |
| **Ratio** | 5.1 | | | | | |

All of the above Directors were in post for the year ended 31 March 2019 except where indicated.

(1) Calculated in line with the prescribed guidance in Chapter 7 of the NHS Annual Reporting Manual for Foundation Trusts

It should be noted that the Chair was paid off-payroll from 1st October 2018 to 28 February 2019 and on-payroll from 1st March 2019.

## Fair Pay Multiple

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The mid-point of the banded remuneration of the highest paid director in Bridgewater Community Healthcare NHS Foundation Trust in the year ended 31 March 2020 was £157,500 (2018-19: £157,500). This was 5.2 times (2018-19: 5.1 times) the median remuneration of the workforce which was £30,112 (2018-19: £30,112).

In 2019-20 and 2018-19 no employees received remuneration in excess of the highest paid director. Remuneration ranged from £277 to £155,602 (2018-19: £277 to £143,000).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

## Exit Packages

No exit packages paid during 2019/20.

## Service Contracts

| Name and Job Title | Date appointed to Trust Board | Tenure | Notice Period | Left the Trust |
|---|---|---|---|---|
| Colin Scales, Chief Executive Officer | 1 November 2014* | Permanent | 6 months | N/A |
| Lynne Carter, Chief Nurse / Chief Operating Officer | 23 March 2018 as an Interim Chief Nurse and was appointed in substantive role from the 1 May 2018 | Permanent | 6 months | N/A |
| Nick Gallagher, Director of Finance | 07 January 2019 | Permanent | 6 months | N/A |
| Dr David Valentine Medical Director | 1 April 2018 | Permanent | 6 months | 13th June 2019 |
| Dr Simon Constable Medical Director | Shared Director post with Warrington & Halton Foundation NHS Trust Start date: 1st July 2019 | SLA reviewed every 12 months | 6 months | 1st November 2019 |
| Dr Alex Crowe Medical Director | Shared Director post with Warrington & Halton Foundation NHS Trust Start date: 1st November 2019 | SLA reviewed every 12 months | 6 months | N/A |
| Michelle Cloney, Director of Workforce and OD | 07 January 2019 – Shared Director post with Warrington & Halton Foundation NHS Trust | SLA reviewed every 12 months | 6 months | N/A |

*Colin Scales became a member of the Board on 24 October 2011 before being appointed as Chief Executive Office on 1 April 2015

## Pension Benefits

Period from 1 April 2019 to 31 March 2020
(the following table has been subject to audit)

**Executive Directors**

| Name | Real increase in pension at pensionable age | Real increase in pension lump sum at pensionable age | Total accrued pension at pensionable age at 31 March 2020 | Lump sum at pensionable age related to accrued pension at 31 March 2020 | Cash Equivalent Transfer Value at 1 April 2019 | Cash Equivalent Transfer Value at 31 March 2020 | Real increase in Cash Equivalent Transfer Value |
|---|---|---|---|---|---|---|---|
| | Bands of £2,500 £'000s | Bands of £2,500 £'000s | Bands of £5,000 £'000s | Bands of £5,000 £'000s | £'000s | £'000s | £'000s |
| **Colin Scales** Chief Executive | 2.5-5 | 0 | 35-40 | 70-75 | 580 | 639 | 22 |
| **Nick Gallagher** Director of Finance | 5-7.5 | 10-12.5 | 25-30 | 50-55 | 343 | 465 | 96 |
| **David Valentine** Medical Director | 0-2.5 | 0 | 25-30 | 50-55 | 453 | 477 | 0 |
| **Sarah Quinn** Director of Strategic Delivery In post from 1.12.19 | 0-2.5 | 0 | 5-10 | 0 | 66 | 85 | 2 |

There are no entries in respect of pensions for Lynne Carter as she does not contribute to the NHS pension scheme.

There are no entries in respect of pensions for Non-Executive Directors as they do not receive pensionable remuneration. Additionally there were no contributions to Stakeholder Pensions on behalf of any of the Directors of the Trust.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual.

The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide.

The pension benefit table provides further information on the pension benefits accruing to the individual.

## Cash Equivalent Transfer Values (CETV)

The benefits valued are the member's accumulated 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 a 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 scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and 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).

**Colin Scales**
**Chief Executive** **6 July 2020**

# 3.3 Staff Report

## Staff Analysis

As at 31 March 2020 (Headcount and Whole Time Equivalent WTE as at 31st March 2020), Bridgewater employed staff 1815 (1534.23 WTE), the majority of whom are clinically trained, including district nurses, health visitors, specialist nurses, occupational therapists, speech and language therapists, physiotherapists and Clinical Admin. Our staff numbers by staff group is as follows:

| Staff Group | WTE | Headcount |
|---|---|---|
| Add Prof Scientific and Technic | 64.86 | 77 |
| Additional Clinical Services | 245.43 | 294 |
| Administrative and Clerical | 406.03 | 476 |
| Allied Health Professionals | 142.01 | 169 |
| Estates and Ancillary | 7.84 | 9 |
| Healthcare Scientists | 4 | 4 |
| Medical and Dental | 49.38 | 73 |
| Nursing and Midwifery Registered | 612.66 | 713 |
| Total | 1534.23 | 1815 |

Of these staff, 1759 people (1460.57 WTE) have a permanent contract of employment and 57 people (49.89 WTE) have a fixed term/temporary contract of employment.

The breakdown of male and female employees is as follows:

| | Male | | Female | |
|---|---|---|---|---|
| | HC | WTE | HC | WTE |
| Directors | 3 | 3 | 3 | 1.7 |
| Other Senior Managers | 12 | 12 | 26 | 23.63 |
| Employees | 149 | 136.56 | 1622 | 1356.53 |
| Total | 164 | 151.56 | 1651 | 1381.86 |

The sickness absence rate for the Trust for this period was 6.07%. This equates to a Long Term Sickness Absence rate as 4.04% and Short Term Sickness Absence rate as 1.17%.

The top three reasons for sickness absence are stress/anxiety (39%), other musculoskeletal problems (8.6%) and Gastrointestinal Problems (6%).

## Audited staff cost

**Staff costs**

| | Permanent | Other | 2019/20 Total | 2018/19 (restated) Total |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| Salaries and wages | 52,931 | 1,413 | **54,344** | 81,799 |
| Social security costs | 4,631 | 120 | **4,751** | 7,202 |
| Apprenticeship levy | 273 | 7 | **280** | 391 |
| Employer's contributions to NHS pensions | 9,569 | 238 | **9,807** | 10,346 |
| Pension cost – other | 31 | - | **31** | 20 |
| Temporary staff | - | 4,646 | **4,646** | 6,577 |
| **Total gross staff costs** | **67,435** | **6,424** | **73,859** | **106,335** |
| Recoveries in respect of seconded staff | (315) | - | **(315)** | - |
| **Total staff costs** | **67,120** | **6,424** | **73,544** | **106,335** |
| **Of which** | | | | |
| Costs capitalised as part of assets | 167 | - | **167** | 224 |

**Average number of employees (WTE basis)**

| | Permanent | Other | 2019/20 Total | 2018/19 Total |
|---|---|---|---|---|
| | Number | Number | Number | Number |
| Medical and dental | 18 | 12 | **30** | 35 |
| Administration and estates | 216 | 24 | **240** | 282 |
| Healthcare assistants and other support staff | 455 | 5 | **460** | 819 |
| Nursing, midwifery and health visiting staff | 623 | 48 | **671** | 1,022 |
| Nursing, midwifery and health visiting learners | 3 | 5 | **8** | 12 |
| Scientific, therapeutic and technical staff | 181 | 14 | **195** | 353 |
| Other | 34 | - | **34** | 34 |
| **Total average numbers** | **1,503** | **108** | **1,638** | **2,557** |
| **Of which:** | | | | |
| Number of employees (WTE) engaged on capital projects | 4 | - | **4** | 25 |

**Reporting of compensation schemes - exit packages 2019/20**

| | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages |
|---|---|---|---|
| | Number | Number | Number |

| Exit package cost band (including any special payment element) | | | |
|---|---|---|---|
| <£10,000 | - | - | **-** |
| £10,000 - £25,000 | - | - | **-** |
| £25,001 - 50,000 | - | - | **-** |
| £50,001 - £100,000 | - | - | **-** |
| £100,001 - £150,000 | - | - | **-** |
| £150,001 - £200,000 | - | - | **-** |
| >£200,000 | - | - | **-** |
| **Total number of exit packages by type** | **-** | **-** | **-** |
| Total cost (£) | £0 | £0 | **£0** |

**Reporting of compensation schemes - exit packages 2018/19**

| | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages |
|---|---|---|---|
| | Number | Number | Number |
| **Exit package cost band (including any special payment element)** | | | |
| <£10,000 | 4 | - | **4** |
| £10,000 - £25,000 | 4 | 1 | **5** |
| £25,001 - 50,000 | - | - | **-** |
| £50,001 - £100,000 | - | - | **-** |
| £100,001 - £150,000 | - | - | **-** |
| £150,001 - £200,000 | - | - | **-** |
| >£200,000 | - | - | **-** |
| **Total number of exit packages by type** | **8** | **1** | **9** |
| Total cost (£) | £87,000 | £16,000 | **£103,000** |

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

| | 2019/20 | | 2018/19 | |
|---|---|---|---|---|
| | Payments agreed | Total value of agreements | Payments agreed | Total value of agreements |
| | Number | £000 | Number | £000 |
| Voluntary redundancies including early retirement contractual costs | - | - | - | - |
| Contractual payments in lieu of notice | - | - | 1 | 16 |
| **Total** | **-** | **-** | **1** | **16** |
| **Of which:** | | | | |
| Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary | - | - | - | - |

## Gender Pay Gap

As per the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 we analyse and publish details of our gender pay gap results annually before 30th March along with an action plan to address gaps and fulfil the three aims of the Equality Duty in relation to gender pay.

We submit our results to the Government Equalities Office via the online portal (https://gender-pay-gap.service.gov.uk/) from where all applicable companies and organisations results can be viewed, before publishing our report and action plan on the Trust website - http://bridgewater.nhs.uk/aboutus/equalitydiversity/equalityact2010/ .

## Modern Slavery Act

We are committed to improving our practices to combat slavery and human trafficking. We are fully aware of our responsibilities we have towards patients, service users, employees and our local community. We have a robust set of ethical values that we use as guidance for our commercial activities. We also expect all suppliers to the Trust to adhere to the same ethical principles.

**Our policies on slavery and human trafficking**

We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business and in so far as is possible to requiring our suppliers hold similar ethos. Human Trafficking and Modern slavery guidance is embedded into Trust Safeguarding and Vulnerable Adults policies. We adhere to employment checks and standards which includes right to work and suitable references.
We are committed to social and environmental responsibility and have zero tolerance for Modern Slavery and Human Trafficking. Any identified concerns regarding Modern Slavery and Human Trafficking would be escalated as part of the organisational safeguarding processes, in conjunction with partner agencies where appropriate such as Local Authorities and Police.
Our guidance on Modern Slavery is to:

- Comply with legislation and regulatory requirements
- Make suppliers and service providers aware that we promote the requirements of the legislation
- Consider modern slavery factors when making procurement decisions
- Develop awareness of modern slavery issues

We will:

- Aim to include modern slavery conditions or criteria in specification and tender documents wherever possible,
- Evaluate specifications and tenders with appropriate weight given to modern slavery points,
- Encourage suppliers and contractors to take their own action and understand their obligations to the new requirements,
- Expect supply chain/ framework providers to demonstrate compliance with their obligations in their processes

Trust staff must:

- Contact and work with the Procurement department when looking to work with new suppliers so appropriate checks can be undertaken.

Procurement staff will:

- Undertake awareness training where possible.
- Aim to check and draft specifications to include a commitment from suppliers to support the requirements of the act.
- Will not award contracts where suppliers do not demonstrate their commitment to ensuring that slavery and human trafficking are not taking place in their own business or supply chains.
- Communicate clear expectations to our supplies through a 'Supplier Code of Conduct'

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 March 2019.

## Equality, Diversity and Inclusion

Equality is fundamental to the NHS - the Health & Social Care Act, the NHS Constitution, the NHS Long Term Plan and Interim Peoples Plan all highlight the need to reduce health inequalities in our communities and to advance equality of opportunity in the workforce.

As a Trust, Bridgewater is committed to understanding and celebrating diversity, advancing equality and to providing inclusive employment opportunities and health care services. We know that to do this we need to recognise value and meet the diverse and differing individual challenges and needs faced by people in our communities and in our workforce.

Recognising the significant numbers of people within our boroughs who suffer inequalities that lead to the early onset of long term ill health and disability and ultimately shorter life expectancy, we made the commitment in 2011 to recognise and support advancement of equality not just for the nine protected characteristic groups, but also other vulnerable members of our community, for example those from lower socio-economic backgrounds,

the homeless and vulnerably housed, military veterans, carers, asylum seekers and refugees, and those with chaotic lifestyles such as sex workers .

The Equality Act 2010 and the Human Rights Act 1998 provide the legal frameworks within which the Trust operates its equality governance, alongside other mandatory requirements such as the Workforce Race and Disability Equality Standards, Gender Pay Gap Reporting and Equality Delivery System 2. The Trust is proud to be a Disability Confident Employer and a holder of the Navajo Charter Mark for LGBT+ inclusion, and work continues on ensuring we meet and further the requirements of these two programmes.

Day to day work on equality and inclusion is the responsibility of the Equality & Inclusion Manager. The Equality, Diversity & Inclusion (EDI) EDI Steering Group oversees the work of the Equality & Inclusion Manager and provides assurance to Board of equality compliance via the internal committee structure.

In 2019 we published our new EDI Strategy 2019 – 2022 and the underpinning Equality Objectives for 2019 – 2022. The Strategy places equality, diversity and inclusion at the centre of all Trust business with every member of staff a leader for EDI – Everyone's Every Day. The Strategy has seven core principles that support the wider Trust strategies for service delivery and communities, and for our workforce. Our Equality Objectives support delivery of the Strategy and have four overarching themes:

- Improving access for patients and communities with additional and specific needs related to protected characteristics
- Improving recording and monitoring of equality information in patient records
- Recruiting, developing and retaining a diverse and representative workforce
- Understanding and improving staff experience

More information on equality, diversity and inclusion within Bridgewater, including contact details, can be found on our website.

## Employee Engagement

The Staff Engagement Strategy 2017-2020 was launched in March 2017 and is monitored by the Staff Engagement Strategy Steering Group; that meets bi-monthly. Since its launch, all of the objectives set have been achieved and Staff Engagement Champions throughout the Trust also support this agenda. There are 71 Champions in total who all receive gold lanyards and personal development opportunities. During 2019 the Champions' role was further developed supporting, promoting and being involved in equality, diversity and inclusion, health and wellbeing campaigns, initiatives and events.

The strategy was reviewed in January 2020 with a plan to it to be re-launched. Staff survey results have shown an improvement in the staff engagement score since the launch of the

strategy. In addition the Trust has launched "the Bridge", supplied by Questback Staff Community, a web-based tool to allow the Trust to engage with all staff in a more meaningful and focused way.

**"The Bridge"** can be accessed via work / personal computer and the Bridgewater Staff App. The Bridge holds many functionalities, including:

- Platform for staff to share ideas, good news stories etc.
- Staff access to virtual Staff Network Groups i.e. LGBT+, Staff Inclusion, Carers
- Access to current surveys i.e. Quarterly Staff Engagement Surveys
- Freedom to Speak Up online contact and chat facility
- Exit Surveys
- Ability to produce bespoke surveys and produce quantitative reports.

Our Staff Engagement Survey 20 item questionnaire is also disseminated to staff in all boroughs. The results are developed in to a Trust Report and circulated to all Managers and Team Leaders.

In addition to the direct engagement work with staff, bespoke development programmes are delivered internally to strengthen staff relationships and allow time for employees to explore their values and behaviours to drive the cultural change that is necessary to equip the Trust to face the challenges of the future.

These programmes include:

- Our bespoke Institute of Leadership and Management (ILM) accredited Leadership Development Programme
- Delivery of the FranklinCovey 'Leading at the Speed of Trust' Programme which supports managers to build trust within teams
- Our values and behaviour based PDR framework that focuses on: individual - wellbeing, your role, behaviours, the individual fit and impact within the organisation; and to identify development and training needs
- The development and implementation of a Talent Management Strategy which is linked to succession planning
- The delivery of a 7 Habits of Highly Effective People programme which commenced in 2017. The aim of the programme is for staff to explore their own personal effectiveness and build effective relationships
- To continue to offer staff a suite of appropriate change management tools

- Rolling out our System Leadership Programme, developed following a successful bid for funding from the North West Leadership Academy.

## Internal Communications

Within Bridgewater there are a range of communications channels designed to keep staff informed and to support two-way dialogue and engagement. These include a monthly Team Brief presentation from the Chief Executive to senior managers which starts the cascade of messages from the Executive and Board throughout the organisation by managers and team leaders. This contains key messages to keep staff informed on new developments, policy, performance (including HR performance measures, financial and quality performance) and staff matters. Staff have the opportunity to ask questions during and after the briefing session. Any questions and answers are shared through the following month's team brief. In addition there is a facility for staff to ask questions through the Intranet (The Hub) via a feature titled 'Ask the Boss'.


Staff also receive a weekly Bridgewater Bulletin e-newsletter and are encouraged to access to the Trust intranet "The Hub" as the primary source of information on Trust policies, corporate services and key initiatives within the Trust. The Trust supports a staff mobile application (Staff App), which has been downloaded by around half of our workforce and enables those working out in the community to access key contacts, information and news via a mobile device.

Director staff engagement visits occur monthly and in all boroughs. They enable staff to meet members of the Executive Team to showcase the services they deliver and discuss what it is like to work for the Trust. During these visits, the directors also observe treatments delivered to patients by staff in the community.

### Celebrating our staff

At Bridgewater it is important for us to recognise when our staff go above and beyond the call of duty, demonstrate a willingness to innovate and make significant strides to delivering improvements in services.

Our "Stars of the Month" scheme allows staff to recognise the work of colleagues by nominating them for an award each month. In August 2019 the Trust launched the new Star of the Month image with the scheme continued to be popular amongst staff and 200 separate nominations for individual colleagues or teams were made during the year.

The highlight of the Trust's staff reward and recognition programme is the annual Staff Awards ceremony which is held in September each year. This is held as a daytime event and combined with our Annual Members Meeting to encourage greater participation in the latter by our staff. At the 2019 event more than 130 staff, governors and partners attended the event at Halton Stadium.

## Health and safety performance and occupational health

Information on accidents and incidents are included in the integrated performance report and therefore are available for all staff. Health and wellbeing data is also available in the integrated performance report.

Occupational Health

Services that are available to staff from our Occupational Health provider are available in leaflet form for staff and details are on the intranet.

The Trust's Occupational Health Services are provided externally by 'Well Being Partners' (WBP) formed through a formal partnership of Bolton, Wigan and Lancashire Trusts in 2014 and part of Wrightington, Wigan and Leigh NHS Foundation Trust – this provides a consolidated Consultant led Occupation Health Service to Bridgewater. The service includes:

- Pre-employment screening
- Full immunisations and vaccinations
- Absence management support

- Physiotherapy via Physio Med Ltd incorporating 'fast track' programme of support across a range of geographical sites
- Mental wellbeing and counselling support
- Access to telephone counselling across a range of issues and a range of other support areas including legal and financial advice via the Employee Assistance Programme (EAP) provided by Insight. This is available to staff 24 hours a day, 365 days a year.

The Trust is committed to ensuring it provides a healthy, safe and supportive environment and the way it does this is via its Managing Attendance Policy and Procedure – a key achieve this year included the Trust receiving 'significant assurance' from Mersey Internal Audit and Assurance (MIAA) on its procedure and approach to absence management, with positive acclaim in relation to best practice in the Human Resources Department for its internal audit plans associated with this policy.

Sickness absence data is provided to each clinical and service manager on a regular basis and this is discussed at Finance, Workforce and Performance meetings.

These are the key achievements from the Stress Group from last year:

- Reviewed the Trust's Prevention of Stress at Work Policy and created an Occupational Stress Management Policy

- Reviewed the Trust's process for undertaking Stress Risks assessments to make this more user friendly
- Undertook a Trust Wide bespoke Stress Survey and fed the results up to the Trust Board
- Liaised with the Learning and Development Department to introduce Resilience training in the Trust
- Updated the support available in each Borough with regard to stress and put this on the hub. Produced advice on how to recognise the signs of stress and suggested coping strategies; this information was publicised on the hub and was also circulated around the Trust using posters

<u>Health and Safety, Fire and Security April 2019 – March 2020:</u>

- 22 Fire Risk Assessments (Freehold sites and leasehold sites) – reports generated and action plans produced
- 24 Fire Risk assessments – other sites (CHP/NHSPS/GP & Private landlord) – BCH Occupied areas delivering services

- Fire Warden training x 8
- 3 Contract Reports
- 22 Building H&S Risk Assessment (Freehold sites and leasehold sites) – reports generated and action plans produced
- Health, Safety, Fire and Security Meetings – 2
- Attendance at Estates Meetings
- Attendance at EW FM Contractor meetings
- Attendance at project meetings: works/refurb at Seymour Grove Dental
- Advice First Aid Training and requirements– Training Needs Analysis produced
- Production of newsletter ' Safe & Secure'
- Update/review of 8 (Health ,Safety, Fire &Security ) Policies and Procedures
- Attendance at regional Local Security Management Specialist – meetings
- Produce and communicate various articles
- Produce 'Safety Circular'
- Investigation of accident/incidents/thefts
- Advice/support RIDDOR
- Communication of 'ALERTS' High risk patients/warning notices
- Establish 'Building User Group' meetings for Europa
- Undertake and produce pre-occupancy report Europa Point
- Liaise with, and preparation for Fire & Rescue Services Inspection – Europa Point
- Advice/support Europa Point warehouse- FM and Operational issues
- Implement 'Legionella' controls i.e. water flushing documentation and issue to sites
- Provide advice/comment on various Policies and procedures, SOPS
- Assist sites – production of 'local' Lockdown Procedures
- Lone Working – meetings with Contractor RELINACE and on-going support to managers/staff
- Advice/support and assistance to managers and staff

## NHS Staff Survey

The NHS Staff Survey is conducted annually. From 2019 onwards, the results from questions are grouped to give scores in 11 indicators. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those.

The response rate to the 2019 survey among Trust staff was 43% (2018: 43%). The number of completed questionnaires was 749. Scores for each indicator together with that of the survey benchmarking group (16 Community Trusts) are presented below:

| | 2019/20 | | 2018/19 | | 2017/18 | |
|---|---|---|---|---|---|---|
| | Trust | Benchmarking Group | Trust | Benchmarking Group | Trust | Benchmarking Group |
| Equality, diversity and inclusion | 9.4 | 9.4 | 9.4 | 9.3 | 9.3 | 9.3 |
| Health and Wellbeing | 6.0 | 6.0 | 6.0 | 5.9 | 5.7 | 6.0 |
| Immediate Managers | 7.1 | 7.2 | 7.1 | 7.0 | 7.0 | 7.0 |
| Morale | 6.1 | 6.3 | 6.1 | 6.2 | - | - |
| Quality of appraisals | 5.2 | 5.8 | 5.1 | 5.6 | 4.7 | 5.4 |
| Quality of care | 7.4 | 7.4 | 7.4 | 7.3 | 7.3 | 7.3 |
| Safe environment – bullying & harassment | 8.4 | 8.4 | 8.4 | 8.4 | 8.3 | 8.4 |
| Safe environment – violence | 9.8 | 9.7 | 9.8 | 9.7 | 9.8 | 9.7 |
| Safety culture | 6.8 | 7.0 | 6.7 | 7.0 | 6.5 | 6.9 |
| Staff engagement | 7.0 | 7.2 | 7.1 | 7.1 | 6.7 | 6.9 |
| Team Working | 7.2 | 7.0 | - | - | - | - |

As highlighted earlier, the response rate to the 2019 staff survey was the same as the previous year 43%. Bridgewater distributed a paper staff survey to all staff within the Trust, therefore 43% is a significant sample of the views of staff within the Trust. The organisation was benchmarked against 16 other Community Trusts and the median response rate overall was 58%.

The 11 themes assist the Trust to continually measure the quality of staff experience. Data relating to workforce indicators are reported to the Trust Board, as are the national NHS Staff Survey results. The Staff Survey Action Plan is monitored for progression via the Trust's Workforce and Organisational Development Committee.

To ensure that we continue to listen to our staff and acknowledge the important feedback we get from our survey, we develop action plans to inform us of our key priorities and areas for further development and continuous improvements. The action plan is, and will continue to be, managed through formal management meetings where performance review takes place. Action plans and progress against them is shared with the Trust's Staff-side colleagues at our partnership working groups. We enjoy effective partnership working with our Trade Unions and staff-side colleagues and believe this is critical to our success.

As part of our response to the staff survey, to enable staff to see how we are responding to their feedback, we have used our Staff Engagement Group and Champions to explore staff values, attitudes and behaviours to enhance care delivery and the patient's experience. The feedback has informed the Trust's Staff Engagement Strategy and is monitored at its Workforce and Organisational Development Committee through to Trust Board.

The 2019 Staff Survey results show either an improvement or maintenance in each of the themes that were tested in 2018. This is detailed in the table below:

| Theme | 2019/20 | 2018/19 | Variance |
|---|---|---|---|
| Equality, Diversity & Inclusion | 9.4 | 9.4 | Not Significant |
| Health & Wellbeing | 6.0 | 6.0 | Not Significant |
| Immediate Managers | 7.1 | 7.1 | Not Significant |
| Morale | 6.1 | 6.1 | Not Significant |
| Quality of appraisals | 5.2 | 5.1 | Not Significant |
| Quality of care | 7.4 | 7.4 | Not Significant |
| Safe environment – Bullying & Harassment | 8.4 | 8.4 | Not Significant |
| Safe environment – Violence | 9.8 | 9.8 | Not Significant |
| Safety Culture | 6.8 | 6.7 | Not Significant |
| Staff Engagement | 7.0 | 7.1 | Not Significant |
| Team Working | 7.2 | - | |

The final column contains the outcome of the significance testing. An upward arrow would indicate a significantly higher score and a downward arrow, a significantly lower score. If there is no statistically significant difference, this is shown by 'not significant'.

This is to be celebrated across the Trust whilst we continue to improve year on year through our action plans, focus groups, partnership forums and the Workforce and Organisational Development Committee.

The Trust's results when compared with the benchmark for community services are also a generally positive picture. Of the 11 themes the Trust is above the benchmark score for 2 of them, below for 5 and equal to for 4. The table below reflects this:

| Theme | 2019/20 | Benchmark | Variance |
|---|---|---|---|
| Equality, Diversity & Inclusion | 9.4 | 9.4 | 0.0 → |
| Health & Wellbeing | 6.0 | 6.0 | 0.0 → |
| Immediate Managers | 7.1 | 7.2 | 0.1 ↓ |
| Morale | 6.1 | 6.3 | 0.2 ↓ |
| Quality of appraisals | 5.2 | 5.8 | 0.6 ↓ |
| Quality of care | 7.4 | 7.4 | 0.0 → |
| Safe environment – Bullying & Harassment | 8.4 | 8.4 | 0.0 → |
| Safe environment – Violence | 9.8 | 9.7 | 0.1 ↑ |
| Safety Culture | 6.8 | 7.0 | 0.2 ↓ |
| Staff Engagement | 7.0 | 7.2 | 0.2 ↓ |
| Team Working | 7.2 | 7.0 | 0.2 ↑ |

## Future Priorities and Targets

Having reviewed the NHS staff survey results the key priorities for the Trust to focus on during 2020 from the 11 themes have been grouped into 5 areas:

1. Your Job
2. Your Manager
3. Your Health, Wellbeing and Safety at Work
4. Your Personal Development
5. Your Organisation

We will focus on communication (and engagement), raising and reporting concerns, retention, discrimination and the meaningfulness of the appraisal process.

This will be reviewed by the Trust on a regular basis. This will include, but not be limited to:

- Bi monthly Workforce and Organisational Development Committee meetings
- Bi monthly Partnership Forums and Local Negotiating Committee, comprising of Executives, Senior Management and Staff-side colleagues

- Monthly Finance, Workforce and Performance Meetings held within each borough (FWP)
- Quarterly reviews with the Senior Management Team (SMT)
- Quarterly reviews with the respective CCG's (or as per their meeting cycles)
- Monthly Staff Engagement Steering Group Meetings

## Trade Union Facility Time

The Trade Union report is only done in July for the previous year, therefore the data for the 2019/20 will be provided in the next year's report or on request later in the year.

This section details the statutory submission for the period April 2018 to March 2019 as per the Trade Union (Facility Time Publication Requirements) Regulations 2017, which took effect from 1 April 2017.

The purpose of these regulations is to promote transparency and allow for public scrutiny of facility time.

Facility time data is data that the Trust is required to collect, report and publish under the Trade Union Facility Time Publication Requirements Regulations 2017.

Facility time can be broken down as follows:

**Trade union duties**

- duties connected with collective bargaining – for example, on terms and conditions of employment, redundancy, allocation of work
- taking part in a negotiation or consultation process – including meeting and corresponding with managers, and informing union members of progress and outcomes
- attending a disciplinary or grievance hearing, with trade unions, including allowing reasonable time to prepare
- attending training for the trade union representative role

**Trade union activities**

- discussing internal union matters
- dealing with internal administration of the union – for example, answering union correspondence meetings other than as part of the negotiating or consultation process

Details of the statutory submission are contained within tables 1-4 below.

**Table 1 – Relevant Union Officials**

**What was the total number of your employees who were relevant union officials during 2018/19?**

| *Number of employees who were relevant union officials during the relevant period* | *Total Full-time equivalent of Trade Union officials* |
|---|---|
| 32 | 26.87 |

**Table 2 - Percentage of Time Spent on Facility Time**

**How many of your employees who were relevant union officials employed during 2018/19 spent a) 0%, b) 1% - 50%, c) 51% - 99%, or d) 100% of their working hours on facility time?**

| *Percentage of time* | *Number of employees* |
|---|---|
| 0% | 16 |
| 1 – 50% | 14 |
| 51% - 99% | 0 |
| 100% | 2 |

**Table 3 – Percentage of Pay Bill Spent on Facility Time**

**Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during 2018/19.**

| | *Figures* |
|---|---|
| Provide the total cost of facility time | £46,916.24 |
| Provide the total pay bill | £19,041,000 |
| Provide the percentage of the total pay bill spent on facility time, calculated as:<br><br>(total cost of facility time / total pay bill) x 100 | 0.25% |

**Table 4 – Paid Trade Union Activities**

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

| | *Figures* |
|---|---|
| Provide the total hours spent on paid trade union activities | 117 |
| Provide the total paid facility time hours | 3580.7 |
| Time spent on trade union activities as a percentage of total paid facility time hours calculated as:<br><br>(total hours spent on paid trade union activities by relevant union officials during 2018/19 / total paid facility time hours) x 100 | 3.27% |

## Expenditure on consultancy

The Trust spent £0.2m (2018/19: £1.3m) on Consultancy.

## Off-payroll engagements

The Trust had the following off-payroll engagements as at 31 March 2020, for more than £245 per day that last longer than six months.

| | |
|---|---|
| No. of Existing engagements as of 31 March 2019 | 7 |
| Of Which… | |
| No. that have existed for less than one year at time of reporting | 0 |
| No. that have existed between one & two years at time of reporting | 1 |
| No. that have existed between two & three years at time of reporting | 0 |
| No. that have existed between three & four years at time of reporting | 0 |
| No. that have existed for four or more years at time of reporting | 6 |

All off-payroll engagements have been assessed under current HM Revenue and Customs regulations to ensure that it is appropriate for the individual to be paid off-payroll.

New off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months:

| | |
|---|---|
| No. of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020 | 0 |
| Of Which… | |
| No. Assessed as caught by IR35 | 0 |
| No. Assessed as not caught by IR35 | 0 |
| | |
| No. Engaged directly (Via PSC contracted to department) and are on the departmental payroll | |
| No. of engagements reassessed for consistency / assurance purposes during the year | 0 |
| No. of engagements that saw a change to IR35 status following the consistency review | 0 |

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020:

| | |
|---|---|
| No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year. (1) | 1 |
| No. of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements. (2) | 2 |

## 3.4 The disclosures set out in the NHS Foundation Trust Code of Governance

Bridgewater Community Healthcare NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014 is based on the principles of the UK Corporate Governance code issued in 2012.

The Trust Board and Council of Governors are committed to the principles of best practice and good corporate governance as detailed in the NHS Foundation Trust Code of Governance (the Code). The Trust Board regularly review metrics in relation to regulatory

obligations, contractual obligations and additional internal performance targets/standards of the Trust. To review the performance and effectiveness of the Trust, a number of arrangements are in place including governance structures, policies and processes to ensure compliance with the code. These arrangements are set out in documents that include:

- The constitution of the Trust
- Standing orders
- Standing financial instructions
- Schemes of delegation and decisions reserved to the Board
- Terms of reference for the Board of Directors, Council of Governors and subcommittees
- Role descriptions
- Codes of conduct for staff, directors and governors
- Annual declarations of interest

In accordance with the code, all directors and non-directors of the Trust Board scrutinise and constructively challenge the performance of the Trust to drive improvement and achieve high quality safe care. The Non-executive Directors of the board are held to account by the Council of Governors who are responsible for ensuring that Non-executive Directors (individually and collectively) are exercising their duty in constructively challenging Executive Directors, developing strategic proposals and ensuring the on-going effectiveness and performance of the Trust Board. The Chair of the Trust ensures that the Council of Governors meet on a regular basis and are fully consulted on areas of potential development or change in a timely manner. Thus supporting the Governors to fulfil their role and discharge their duties of representing the interests of members within their constituencies to whom they are accountable. NHS foundation trusts are required to provide (within their annual report) a specific set of disclosures in relation to the provisions within schedule A of the code of governance.

Where applicable, the Trust complies with all provisions of the Code of Governance issued by NHSI (as Monitor) and updated in July 2014.

## 3.5 Regulatory Ratings

**Single Oversight Framework**

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

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

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

**Segmentation**

The Trust is currently placed in segment '2' by NHSI which means that the Trust is offered targeted support by NHSI for the areas of concern but the Trust is not obliged to take advantage of this support.

This segmentation information is the Trust's position as at 5th May 2020. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHSI website.

**Finance and use of resources**

NHS Improvement award a rating for finance and use of resources based on the scoring of measures from '1' to '4' where '1' reflects the strongest performance. These scores are then weighted to give an overall score, one of the five themes feeding into the Single Oversight Framework. The Trust's scores are shown below.

| Area | Metric | 2019/20 scores | | | | 2018/19 scores | |
|---|---|---|---|---|---|---|---|
| | | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 |
| Financial sustainability | Capital service capacity | 2 | 2 | 1 | 4 | 4 | 4 |
| | Liquidity | 4 | 1 | 1 | 1 | 1 | 1 |
| Financial efficiency | I&E margin | 2 | 4 | 4 | 4 | 4 | 4 |
| Financial controls | Distance from financial plan | 1 | 1 | 1 | 1 | 2 | 3 |
| | Agency spend | 3 | 3 | 3 | 3 | 3 | 3 |
| **Overall scoring** | | **3** | **3** | **3** | **3** | **3** | **3** |

## 3.6 Statement of Accounting Officer's Responsibilities

**Statement of the chief executive's responsibilities as the accounting officer of Bridgewater Community Healthcare 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 of Bridgewater Community Healthcare 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 Bridgewater Community Healthcare NHS foundation trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis

- make judgements and estimates on a reasonable basis

- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements

- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance

- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and

- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

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

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

Colin Scales

Chief Executive Officer

***The Accountability Report for Bridgewater Community Healthcare NHS Foundation Trust was approved on behalf of the Board on 6 July 2020***

***Accounting Officer Colin Scales (Chief Executive)***

***6 July 2020***

## 3.7 Annual Governance Statement

**Scope of responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Bridgewater Community Healthcare 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 Bridgewater Community Healthcare NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

**Capacity to handle risk**

Directors oversaw all aspects of organisational performance and foreseeable risk, including challenges in achieving financial duties, ongoing financial sustainability, service pressures and maintaining key relationships and partnerships across the wider local health economy and with our commissioners, including engagement with integrated commissioning plans and the sustainability and transformation plans. Executive Directors' performance appraisals were undertaken by the Chief Executive, and personal objectives have been set for 2020/21 The Nomination and Remuneration Committee of the Board oversees the outcome of these meetings.

As set out in the Risk Management Policy, the Chief Nurse and Medical Director hold responsibility for directing that a sound risk management process is in place. This entails directing and monitoring the systems and tools to effectively identify, record, monitor, and influence risks to the objectives of the Trust.

The Head of Risk Management and Patient Safety has responsibility for developing, embedding and advising on risk management systems and tools for operational risks

identified by clinical and non-clinical support services and strategic risks developed by the Board.

The Medical Director offered leadership as the Responsible Officer (RO) and has responsibility, together with the Chief Nurse, for monitoring and improving clinical service delivery, safety, and quality and is responsible for the process for revalidation of medical staff (doctors) across the trust.

The Chief Nurse, together with the Medical Director, has responsibility for monitoring and improving clinical service delivery, safety, and quality. This includes ensuring mechanisms are in place for reporting clinical incidents and identifying opportunities for service improvement as identified from incident investigations. They have responsibility for monitoring of trust achievement against the Care Quality Commission (CQC) standards, supported by sound clinical governance systems across the trust. The Chief Nurse is responsible for the process for revalidation of nursing staff across the trust and holds the role of Executive Lead for Safeguarding. The Chief Nurse role encompasses the role of Controlled Drugs Accountable Officer (CDAO) as set out in the Medicines Policy, and provides the executive lead on medical equipment as set out in the Medical Devices Policy. The Chief Nurse holds the role of the Caldicott Guardian as set out in the Information Governance Policy.

Directors and managers were supported by the Head of Risk Management and Patient Safety who offered specialist advice and leadership on risk register and incident system management, and facilitated training for all managers with responsibility for risk management within their service and to support to their staff.

The Risk Management Policy and the Incident Reporting Policy contained the mechanisms for staff to employ to identify and manage risk. The web-based Ulysses 'Safeguard' Risk Management system accommodated the Risk Register, incident reporting, medical equipment, and central alert management functions. The system also hosted safeguarding, complaints, and Freedom of Information data.

Lessons Learned were identified by the Serious Incident Review Panel (SIRP) to identify and cascade areas of improvement across the Trust using electronic bulletins, intranet, and Team Brief from the Executive Team. Recommendations from investigations into serious incidents also feed directly back to local teams and services.

**The risk and control framework**

The Risk Management Policy differentiates between strategic risk (the principal risks to the strategic objectives of the organisation as set out by the members of the Board) and operational risk (risks to the delivery of safe and high quality care on a day to day basis as identified by operational staff).

It sets out the range of sources for risk identification, where these are documented, the responsibility and authority, expected responses, and escalation by managers to different levels of risk, and a consistent methodology for prioritising and reviewing risks based on the NHS standard 5 x 5 matrix of scoring.

The documented risk assessments set out in policy, whether manual or electronic (using the Ulysses 'Safeguard' risk module), require the assessor to document primarily:

- the foreseeable hazard placing an objective at risk,
- the potential impact should the hazard occur,
- existing controls that are currently mitigating the likelihood or impact,
- means of assurance on the efficacy of those controls,
- gaps in controls or assurance that has increased the level of risk, and
- a plan in place to address these gaps

Policies, procedures, and clinical guidelines and associated staff training/implementation are the most common form of control for the majority of both strategic and operational risk. The Policy Approval Group has delegated responsibility for establishing policy development guidelines, reviewing, and approving the policies for the trust. Built into the process for policy development, each document is approved with evidence of an Equality Impact Assessment being completed.

The Risk Management Policy also sets out the threshold of the Board's appetite (strategic and operational) for tolerating what it deems to be high risk based on a 5 x 5 scoring matrix:

- any risk with an overall score greater than or equal to 12, or
- any overall score below this but retaining a potential severity score of '4 Major'

Any risk that reaches this threshold is escalated to the Risk Management Council for support and constructive challenge as these are seen as exceptional.

Operational risks and incidents were monitored monthly by the Borough Directors via the Quality & Safety Sub-groups and the Risk Management Council meetings. Controls and assurance that affected local operational process were managed and recorded by managers at an operational level within the directorate. High risks are escalated to the relevant Board Committee. Each of the Board Committees takes a role in oversight of key risks pertaining to their remit and considers them in detail at each meeting. The Audit Committee considers the systems and processes of Risk Management at each of its meetings.

The Trust employs specialists (Health and Safety, Medicines Management, Information Governance, Security, and Equality and Diversity etc.) to maintain Trust adherence to regulations and additionally offer advice to staff and management on expected operational controls and assurances to mitigate and monitor risks.

During the year a newly formed grouped, the Digital Information Governance and Information Technology (DIGIT) group, was established. This group combined members from both the Information Governance (IG) and the Information Technology (IT) steering groups into one group. The bi monthly group is chaired by the Deputy Chief Nurse, who is also the deputy Caldicott Guardian, also in attendance is the Director of Finance in their role as Senior Information Risk Owner (SIRO) and the Trust Secretary in the role of Data Protection Officer (DPO). The group reports to the Finance and Performance Committee. The DIGIT group will develop and implement the Trusts Digital Strategy to ensure it is delivered in a safe, secure and cost effective. The group will also ensure the "Digital Strategy is underpinned by a comprehensive information governance framework and IT and reporting infrastructure. An audit plan has been established to ensure that the Data Security Protection Toolkit (DSPT) requirements are evidenced and fully embedded into the Trust. The DSPT is a mandatory requirement for all how handle personal information it is "*to measure their performance against the National Data Guardian's 10 data security standards*"(NHS Digital 2020).

All managers across the Trust maintain a responsibility for the safety of their staff and patients, and the safe and effective delivery of care as part of the Trust objectives. Foreseeable hazards were risk assessed and documented on the risk register residing on the Ulysses Risk Management System or, if something adverse occurred it was recorded on the same system as an incident.

Risks, complaints, and incidents are monitored and triangulated by the Risk Council with any thematic lessons to be learned for trust-wide dissemination reported via the Team Brief cascade and via the Trust Intranet.

Monthly operational performance, finance, human resource, incident, and patient experience, information is collated by the Performance Team for reporting to the Board in a single Integrated Quality Performance Report (the IQPR). As gatekeepers of all contributions to the IQPR, the Performance Team will only include data on the understanding that local quality checks by services have taken place, and that figures and supporting narratives have been reviewed by the relevant director before publication. This data is aggregated against KPIs and submitted back to services for explanatory narrative. Additionally, specific reports are collated for the Board monthly and quarterly encompassing infection control, incidents, CQUINs, complaints, clinical audit etc.

The Board and directors are accountable for the establishment and ongoing delivery of services within the requirements of the Provider Licence, risk assessment framework, and maintained regulatory compliance, including against CQC ratings and feedback from inspections. As a committee of the Board, the Quality and Safety Committee obtains routine assurance on compliance with CQC registration requirements. Services are subject to Quality Visits by managers and findings collated for the Operations and Performance meetings to review and challenge. As a Committee of the Board, the Finance and Performance Committee monitors and challenges the robustness of financial controls and escalates significant risks and actions where they do not appear robust.

**Operational risks** as identified by operational staff and managers, within Boroughs and services, are those that may foreseeably impede the safe delivery of high quality services to patients on a day to day basis. Significant operational risks could adversely affect a service's ability to meet organisational objectives.

Operational risks are identified, assessed, and documented at service level and monitored by the Quality and Safety Sub-Groups with any significant issues escalating to the Operation and Performance meetings, the Risk Management Council and the relevant Board Committee.

In order to provide the Trust with assurance that risks have been identified and are being managed correctly, the Risk Management Council continued to meet on a monthly basis throughout the year. The council reviewed the Corporate Risk Register and received reports from Borough and Service leads regarding the risks within their respective portfolios.

During 2019/2020 the Trust recognised the most routinely reported significant operational risks likely to remain the focus of risk treatment during 2020/2021 were: -

- Demand and capacity issues within both clinical services and also corporate support functions. This remains a strategic issue and systems are in place which are referred to in the strategic risk referred to below.
- Information technology issues. These were identified as symptoms of more strategic issues and systems put in place. The oversight of risk relating Information Technology was strengthened by consolidating the meeting structure, for Information Technology and Information Governance.
- Performance and delivery of KPI's, increased in prominence, this resulted in the introduction of a Performance Council.
- Potential breaches of waiting times for assessment and treatment. As these breaches occur they are now being reported via Ulysses as incidents to establish whether any harm has occurred and form part of monthly monitoring via the IPR.

Operational finance risks. These were acknowledged and reported to the Finance & Performance Committee during 2019/20 as follows: -

- Impact of the transfers of services to other providers as part of the Trust's Transformation programme
- If the operational Run Rate exceeds resources and impacts on forecast outturn position, it may lead to impact on overall financial position, increased impact on cash position, impact on service delivery
- If the non-pay expenditure exceeds resource it may lead to impact on the financial position, impact on cash balances, impact on CIP programme, impact on risk rating
- If the CIP / Efficiency programme is not delivered it may impact on financial position, impact on cash balances, impact on CIP programme, impact on financial risk rating
- If there is a worsening of working capital balances leading to minimal cash balances it may lead to failure to make payments, potential cessation of deliveries, potential clinical risk, reputational damage, impact on risk rating

Actions and controls to mitigate the above risks include:

- Development and implementation of 'Service Line reporting' to facilitate contract management by commissioner.
- Monthly Reports to F&P committee include :-
  - Financial Position
  - Forecast Position
  - Top 25 overspending cost centres
  - Top 25 Agency spend
  - Cash Committee Report
  - Capital report (quarterly)
  - TIF report (inc. minutes)
- Monthly Cash Committee
- Weekly Aged Debt Review meetings
- Monthly review of CIP performance at Management Team
- Contractual invoices raised in advance to allow for prompt payment. All contractual payment terms reflected in invoice process.
- Agency management through a single engagement provider
- Executive and directorate performance meetings
- Detailed cash flows and forecasts are reviewed on a regular basis to manage working balances.
- CIP schemes for 2019/20 are currently being developed.

**Strategic risks** are those principal risks recorded on the Board Assurance Framework (BAF) that may foreseeably impede the ability of the organisation to deliver its objectives. Each of these retains controls, assurances and any gaps that are the responsibility of a lead director and are assigned to a Board Committee who oversees the actions of each strategic risk. The assurances are within those documents received by the Board.

**Failure to deliver safe and effective patient care.** There is a risk that the Trust may be unable to achieve and maintain the required levels of safe and effective patient care; this could be caused by inadequate clinical practice and/or ineffective governance. If this were to happen it may result in widespread instances of avoidable patient harm, this in turn could lead to regulatory intervention and adverse publicity that damages the Trust's reputation and could affect CQC registration.

**Staffing levels** If the Trust fails to have an appropriately resourced, focused, resilient workforce in place that meets service requirements; caused by an inability to recruit, retain and/or appropriately deploy a workforce with the necessary skills and experience; It may result in extended unplanned service closure and disruption to services across divisions, leading to poor clinical outcomes and experience for large numbers of patients; failure to achieve constitutional standards; unmanageable staff workloads; and increased costs.

**Failure to implement and maintain sound systems of Corporate Governance.** If the Trust is unable to put in place and maintain effective corporate governance structures and processes; caused by insufficient or inadequate resources and / or fundamental structural or process issues; it may result in sustained failure to achieve constitutional standards; disruption to multiple services; reduced quality of care for patients; unmanageable staff workloads; increased costs and regulatory sanctions.

**Managing demand & capacity** If the Trust is unable to manage the level of demand; caused by insufficient resources and / or fundamental process issues; it may result in sustained failure to achieve constitutional standards in relation to access; substantial delays to the treatment of multiple patients; increased costs; financial penalties; unmanageable staff workloads; and possible breach of license.

**Financial sustainability** If the Trust is unable to achieve and maintain financial sustainability; caused by the scale of any deficit and the effectiveness of plans to reduce it;
it may result in widespread loss of public and stakeholder confidence with the potential for regulatory action such as parliamentary intervention, special administration or suspension of CQC registration. The Trust's FT licence requires 'that it shall at all times act in a manner calculated to secure that it has or has access to the Required Resources' so failure to do so would lead to breach of licence.

**Organisational sustainability** If the Trust strategy does not fit with the health system in Greater Manchester and Cheshire & Merseyside as it develops its Place Based strategy and in line with the 2019 NHS Long Term Plan, including the risk of not lining in with PCNs. Caused by a failure to identify and respond to the needs of key stakeholders and commissioners. Or, the move to new models of integrated care is not managed in a way that enables and orderly, safe and engaged transformation. Or, the divestment of services is not managed in a way that enables an orderly, safe and engaged transformation.

**IM&T systems which do not meet the requirements of the organisation** If the Trust's fails to maintain IT systems which meet the needs of users in a secure, effective and efficient manner; caused by a lack of investment, poor IT strategy or lack of suitably qualified and experienced staff; It may result in the failure of the IT systems resulting in a lack of access to patient records by front line staff with poor standards of care delivered as a result and or lack of sufficiently robust information on which to make informed decisions

**Staff engagement & morale** If the Trust loses the engagement of a substantial proportion of its workforce; caused by ineffective leadership or inadequate management practice; It may result in low staff morale, leading to poor outcomes and experience for large numbers of patients; less effective teamwork; reduced compliance with policies and standards; high levels of staff absence; and high staff turnover.

**Failure to enact the Trust's Strategy for future service provision could hinder a complete transfer of clinical and corporate services and associated assets and liabilities leaves significant financial, workforce and quality risk to Bridgewater's continuity of services.** Caused by a lack of understanding of service requirements by either Bridgewater as the transferor or the receiving organisation as the transferee. It may result in the new service failing to deliver effectively and or efficiently resulting in patient harm. A failure to transfer the full costs of the service will leave the Trust with stranded costs / liabilities which is not offset by income. Transfer of key staff may leave the remaining organisation without critical skills impacting upon business continuity.

The Board meets on a bi-monthly basis and delegates specific monitoring responsibilities in order to receive assurance reports from the Committees of the Board. The Trust Chair was responsible for the leadership of the Board and ensured that members of the Board had access to relevant information to assist them in the delivery of their duties. Records of Board attendance are reported in the Annual Report and these confirmed that their attendance ensured that all the six meetings of the Board were quorate. All members of the Board attended the required number of meetings. The NEDs actively provided scrutiny and contributed challenge at Board and Board Committee level. The Board and its committees comprised membership and representation from appropriate staff and Non-executive

Directors with sufficient experience and knowledge to support the committees in discharging their duties. The Board was well attended by all Executives and Non-Executives throughout the year, ensuring that the Board was able to make fully informed decisions to support and deliver the strategic objectives.

Governors attend Board and committee meetings as observers and are therefore party to the presentation of information and assurance that relate to Trust risks and incidents. Routine quality meetings, and also performance meetings, are held with each of the Trust's commissioners (Clinical Commissioning Groups, local authorities or NHS England depending on the service) in order that they receive assurance on service quality, risks, and are challenged on any exceptions are being addressed.

In 2019/20 the Trust completed a Corporate Governance Statement (required under NHS foundation trust condition 4(8) (b)). The Board was satisfied that systems and standards of corporate governance are sound. The Trust Secretary engages with the NHS Providers Company Secretaries Network and routinely checks the NHS Improvement website and publications to ensure the trust remains compliant and responsive to any new information or requirements. Terms of Reference for the Board and committees were reviewed during 2019/20. External audit reports support the annual financial accounts. The Finance & Performance Committee, as a committee of the Board, routinely scrutinises the Trust's financial decision-making, management, and control. The Board receives annual confirmation that the Trust complies with the conditions of its licence. There is an Accountability Framework and Escalation Framework in place to ensure the Board is sighted on significant issues and risks in an appropriate manner. The Trust undertakes a range of engagement with its stakeholders, through Governors, Patient Partners, via Health Watch. A Trust-wide staff engagement programme is in place, and directors regularly undertake drop-ins to team meetings. Non-executive Directors and Public Governors take part in Quality visits to services and engage with staff and service users to gauge the effective delivery of a service on site.

Policies, procedures, and clinical guidelines and associated staff training/implementation are the most common form of control for the majority of both strategic and operational risk. The Policy Approval Group has delegated responsibility for establishing policy development guidelines, reviewing, and approving the policies for the Trust. Built into the process for policy development, each document can only be approved once evidence of an equality impact assessment has been completed.

The IQPR and quality dashboard continue to be reviewed regularly by Board and the Executive Management Team. Each responsible director reviews his/her component contribution and these are triangulated to provide a rounded picture of risks, outcomes, and impact on service safety and delivery, and the strategic objectives of the organisation.

All services are encouraged to report incidents and team leaders and managers have access to training with the Head of Risk Management and Patent Safety to cascade and engender a culture or incident reporting, including drafting trigger lists for staff to adhere to. They can use the Ulysses incident report form to maintain a record of apologies or acknowledgement to patients or relatives in accordance with the Being Open Policy and as part of the Trust's Duty of Candour requirements.

There is an escalation framework that ensured Board members were briefed on any significant events or risks between Board meetings. When this happened, Board members received an email from the Trust Secretary, with detail including the nature of the issue, immediate remedial action, any likely media interest, long-term action, and to which Board or committee meeting a formal report on the issue will be presented. For serious incidents, the Head of Risk and Patient Safety completes a Directors' notification for the Board.

The Audit Committee oversees a programme of counter fraud arrangements, including the contract with MIAA for a Counter Fraud Officer. An MIAA Internal Audit Plan was developed and produced to address and ensure coverage of key risk areas of the trust, with reference to strategic risks identified within the BAF, management requests into areas of potential gaps and weaknesses etc along with mandated reviews.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission.

The Trust continues to strive to deliver high quality services and has arrangements in place to monitor ongoing compliance with the Care Quality Commission Fundamental Standards.

The Trust last was inspected by a comprehensive CQC Well-Led Inspection in September 2018. The report was published on the 17th December 2018 and demonstrates a significant improvement since the 2016 inspection with several service lines and domains this year achieving an improved rating of "good" from "requires improvement". Due to the weighting given to the inspection at Trust level, the overall rating for the Trust remains as **Requires Improvement.** The Trust is due a re-inspection however due to the Covid pandemic the CQC has suspended inspections at the time of writing this report. The Trust expects a CQC re-inspection to be undertaken during 2020.

The foundation trust has published *on its website* an up-to-date register of interests*, including gifts and hospitality. This applies to all* decision-making staff, staff of Band 7 and above and any other member of staff with an interest to declare over 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 foundation trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust's Finance & Performance Committee oversaw delivery of the Trust's efficiency programmes, and provided appropriate assurance directly to the Board. The CIP Council oversaw the identification and delivery of the 2019/20 CIP programme. The 2019/20 CIP target was £3.423m, of which £3.399m was finally delivered; the slight shortfall of £24k being due to CIP schemes that were not completed in-year.

The Finance and Performance Committee received regular reports on the top twenty five overspending budgets throughout the year and were assured as these deficits were driven down. Throughout the year, there has been significant focus on workforce and the use of agency and locum staff in particular. The vacancy approval panel extended its remit to agency and locum usage.

Whilst the Finance & Performance Committee provided assurance to the Board from a financial stand point, integral to the delivery of efficiencies was the Trust's rolling Quality Impact Assessment (QIA) programme. CIP proposals were captured via a Project Overview Document (POD) and were submitted to the QIA panel for assessment. If a scheme was foreseeably deemed to have an adverse impact on quality or patient safety, then the sponsor was required to address the concerns of the QIA panel and to resubmit for further assessment. If the panel's concerns prevailed, the scheme would be replaced with another scheme. Overall responsibility for each project proceeding to implementation rested with the Medical Director and the Chief Nurse. The Quality and Safety Committee was in receipt of quarterly QIA summaries for monitoring and assurance purposes. After the initial sign off of an efficiency initiative, there was an ongoing process in place to monitor the progress and efficacy of the initiative on service quality and delivery, the frequency of review determined according to the level of risk presented.

NHS Improvement award a rating for finance and use of resources based on the scoring of measures from '1' to '4' where '1' reflects the strongest performance. These scores are then weighted to give an overall score, one of the five themes feeding into the Single Oversight Framework. The Trust's scores are shown below.

| Area | Metric | 2019/20 scores | | | | 2018/19 scores | |
|---|---|---|---|---|---|---|---|
| | | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 |
| Financial sustainability | Capital service capacity | 2 | 2 | 1 | 4 | 4 | 4 |
| | Liquidity | 4 | 1 | 1 | 1 | 1 | 1 |
| Financial efficiency | I&E margin | 2 | 4 | 4 | 4 | 4 | 4 |
| Financial controls | Distance from financial plan | 1 | 1 | 1 | 1 | 2 | 3 |
| | Agency spend | 3 | 3 | 3 | 3 | 3 | 3 |
| **Overall scoring** | | **3** | **3** | **3** | **3** | **3** | **3** |

**Information governance**

Bridgewater underwent an onsite audit by the independent regulators the Information Commissioner's Office (ICO) in February 2020. The audit was triggered by our handling of serious incidents. The audit achieved high assurance for Data Breach Reporting and Governance and Accountability.

All serious incidents have to be reported to the ICO and there were two information governance serious incidents during 2019/20 that required reporting to the regulators:

- An admin staff member accessed patient information with no legitimate reason and as a result was dismissed.
- A staff member's car was stolen from the driveway and 5 patient records were in the boot of the car. The patient records were retrieved the following day.

These two incidents have been investigated internally and by the ICO and are now closed.

Two serious information governance incidents from the 2018/19 have not been concluded. The investigation reports and additional supporting evidence have been submitted, but still remain open. The two serious incidents were regarding;

- A letter being sent to incorrect patient that contained highly sensitive information for another patient.
- Sensitive information sent to wrong address of a vulnerable adult.

The Data Protection and Security Toolkit (DSPT) 19/20 a mandatory requirement was submitted before the deadline of 31st March 2020. However, because of the COVID 19 pandemic the deadline for submission has been moved to September 2020. All mandatory requirements could be evidenced, with the exception of Assertion 3.2.1 – "at least 95% of all staff complete their annual Data Security Awareness Training between 1st April 2019 and 31st March 2020". The highest percentage achieved within this time frame was 91%. This was a significant 11% increase from previous year. The improvement plan was submitted last year and will continue for this year.

The DSPT is a self -assessment tool and provides an overall measure of the data quality systems, standards and processes within the Trust. An audit was conducted by Mersey Internal Audit Agency during February 2020 to evaluate and validate the Trust's self-assessed scores. The final report from Mersey Internal Audit Agency (MIAA) granted the Trust "Substantial Assurance". The assurance a Trust receives is therefore indicative of how well the Trust has followed guidance and good practice.

**Data quality and governance**

The Trust recognises the need to ensure that all Trust and clinical decisions are based on sound data and has a number of controls in place to support the process of ensuring high quality data.

The Trust uses MIAA to audit performance and performance management processes. The overall objective of the audits is to provide assurance that the Trust has an effective process-controlled system for performance reporting and ensure that mitigating plans are in place to achieve maximum performance and support patient quality.

The Trust has an agreed data quality policy to complement its data quality strategy and also has a data consistency programme that aims to ensure a consistent Place Based approach to recording data and performance management across all its Boroughs.

Data consistency implementation groups are in place who oversees data consistency progress aligned with data improvement, service redesign and System roll out across the Trust.

The Trust has continued to be proactive in improving data quality by providing:

- system training (and refresher training available on request) drop-in sessions for assistance with system use for data recording
- guidance and frequently asked questions (available on the Trust intranet).
- activity and data quality are to be standing items on clinical team meeting agendas
- data definition work streams continue at individual service line level.

**Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and the quality and safety committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

During the year, the Audit Committee undertook a review of its effectiveness. The Trust has used a combination of internal subject matter experts and external development support. All Board members have an appraisal with the Chair or Chief Executive, the results of which are reported to the Remuneration Committee or the Governors' Nominations Committee. The Council of Governors oversee the performance review of the Chair and the Non-executive directors of the trust to help inform their decisions on the re-appointment or termination of Non-executives as necessary.

The Audit Committee has separate internal and external audit plans. The Committee meets on a quarterly basis with representation from both internal and external audit functions. An annual work plan is produced. The Audit Committee's primary role is to conclude upon the adequacy and effective operation of the organisation's overall internal control system.

The main focus of an Audit Committee's work is related to internal financial control matters, the maintenance of proper accounting records, the reliability of financial information, and a wider focus on the safety and quality of patient care.

During the financial reporting period for 2019/20 the Audit Committee have complied with 'good practice' recommended through:

- Agreement of Internal and External Audit and Counter Fraud plans.

- Regular review of progress and outcomes in relation to internal audit and counter fraud.
- Private meetings with External and Internal Audit.
- Regular review of the Audit Committee work plan.
- Review of the Committee's Terms of Reference.

The overall opinion from the Director of Internal Audit for the period 1st April 2019 to 31st March 2020 provides **Substantial Assurance that that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.**

The overall opinion is provided in the context of the level of risk awareness of the Trust and the targeted and effective use of Internal Audit as part of the system of internal control. Internal Audit resource has been directed into known risk areas by Trust management and the Audit Committee. Whilst this has resulted in a number of moderate and limited assurance opinions being provided for individual reviews, this has not adversely impacted on the overall assurance level assigned. The risk based approach adopted by the Trust supports the overall opinion of substantial assurance.

During the course of the year the Trust has taken steps to address and strengthen its systems of internal control across a range of areas, including developing the Board Assurance Framework arrangements and enhancing the follow up process to improve monitoring and timely implementation of actions.
During the year MIAA has completed 15 internal audit reviews, covering both clinical and non-clinical systems and processes and formed a view on the level of assurance as follows:

| **INTERNAL AUDIT PLAN OUTPUTS** | **ASSURANCE LEVEL** |
|---|---|
| Assurance Framework | NHS requirements met |
| Board Committee effectiveness | Not applicable |
| Conflicts of Interest | Partial compliance |
| Woodview Action plan | Not applicable |
| Risk Management | Substantial |
| Cost Improvement Programme | Moderate |
| Key Financial Systems | Substantial |
| ESR Payroll System | Moderate |
| Staff Engagement | Substantial |
| Attendance Management re-audit | Substantial |
| Data Security & Protection Toolkit | Substantial |
| IT Mobile Computing & IT Asset Management | Moderate |

| | |
|---|---|
| CQC Quality Spot Checks | Limited |
| Complaints Health & Justice System | Substantial |
| Trust Improvement Plan | Substantial |

In addition, there are two reviews that will conclude early in 2020/21:

- Business case development and approval
- Data Warehouse

Three audits were carried forward to 2020-21:

- Risk Management
- Quality Spot Checks re-audit
- IT EMIS web

These audits were all presented to the Audit Committee for oversight and to provide assurance. Individual committees take responsibility for tracking progress against recommendations and action plans. The Quality and Safety Committee were also in receipt of the progress of Clinical Audit programmes across the Trust.

The Trust takes the view that Internal Audit is a key management tool for improvement and therefore consciously asks its auditors to review areas where it is aware it can benefit from advice or recommendations relating to good practice from elsewhere. All audits carry responses to any risks identified in internal audits. Those receiving No and Limited assurance and carrying outstanding high risk recommendations are shown below:-

- Quality Spot Checks – all recommendations complete
- Conflicts of Interest – 16 recommendations, 3 outstanding
- ESR Payroll system – 5 recommendations outstanding with planned actions

These audits were all supplied to the Audit Committee for oversight and to provide assurance. Individual committees take responsibility for tracking progress against recommendations and action plans.

**Head of Internal Audit Opinion**

The overall opinion from the Director of Internal Audit for the period 1st April 2019 to 31st March 2020 provides Substantial Assurance that that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

**External Audit Opinion**

The Annual Report and Accounts 2019/20 includes KPMG's external audit opinion.

**Conclusion**

The systems of internal control are sound and they have been reviewed and are able to identify and escalate any significant issues speedily and appropriately to the proper level. The trust identified risks associated with the CQC rating of Requires Improvement during 2019/20. All of the 'musts' have been addressed and outstanding actions now form part of the Trust continuous improvement plan which is monitored by the Board.

**Accounting Officer**: Colin Scales (Chief Executive)

**Organisation**: Bridgewater Community Healthcare NHS Foundation Trust

**Signed:**

**Date**: 6 July 2020

# 4. Annual Accounts for year ended 31 March 2020

# BRIDGEWATER COMMUNITY HEALTHCARE NHS FOUNDATION TRUST

# ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 March 2020

## FOREWORD TO THE ACCOUNTS

These accounts, for the period ended 31 March 2020, have been prepared by Bridgewater Community Healthcare NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

**Signed…** 

**Name: Colin Scales**

**Job title: Chief Executive**

**Date: 6 July 2020**

## STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER OF BRIDGEWATER COMMUNITY HEALTHCARE 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 Bridgewater Community Healthcare 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 Bridgewater Community Healthcare 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 annual accounts
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance, and
- Prepare the annual accounts 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 to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed..  Chief Executive

Date: 6 July 2020

## Statement of Comprehensive Income for year ended 31 March 2020

| | Note | 2019/20 £000 | 2018/19 (restated) £000 |
|---|---|---|---|
| Operating income from patient care activities | 3 | **100,634** | 142,972 |
| Other operating income | 4 | **9,104** | 4,359 |
| **Total operating income from continuing activities** | | **109,738** | 147,331 |
| Operating expenses | 6,7 | **(109,203)** | (154,472)* |
| **Operating surplus/(deficit) from continuing operations** | | **535** | (7,141) |
| Finance income | 10 | **29** | 44 |
| Finance expenses | 11 | **(491)** | (278) |
| PDC dividends payable | | **(23)** | (305) |
| **Net finance costs** | | **(485)** | (539) |
| Losses arising from transfer by absorption | 26 | (8,008) | - |
| **Deficit for the year from continuing operations** | | **(7,958)** | (7,680) |
| **Deficit for the year** | | **(7,958)** | (7,680) |
| **Other Comprehensive Income** | | | |
| **Will not be reclassified to income and expenditure:** | | | |
| Revaluations | 14 | **(790)** | 95 |
| **Total comprehensive expense for the year** | | **(8,748)** | (7,585) |

| **Adjusted financial performance** | | **2019/20 £000** | 2018/19 Restated £000 |
|---|---|---|---|
| **Deficit for the period** | | **(7,958)** | (7,680) |
| Remove losses on transfers by absorption | | 8,008 | - |
| **Surplus / (deficit) before impairments and transfers** | | **50** | (7,680) |
| Prior period adjustments | 25 | (3,754) | - |
| PPA adjustment | | 3,754 | - |
| **Adjusted financial performance surplus / (deficit)** | | **50** | (7,680) |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

As part of a planned move towards the establishment of Local Care Organisations, on 1 April 2019, the Trust's services in Wigan transferred to Wrightington, Wigan and Leigh NHS Foundation Trust and in Bolton transferred to Bolton NHS Foundation Trust. For further detail on these transfers refer to Note 26 Transfer of Services.

## Statement of Financial Position as at 31 March 2020

| | Note | 31 March 2020 | 31 March 2019 (Restated) |
|---|---|---|---|
| | | **£000** | £000 |
| **Non-current assets:** | | | |
| Intangible assets | 12 | **2,829** | 2,168 |
| Property, plant and equipment | 13 | **9,876** | 18,910* |
| Trade and other receivables | 16 | **521** | 606 |
| **Total non-current assets** | | **13,226** | 21,684 |
| **Current assets:** | | | |
| Inventories | 15 | **23** | 28 |
| Trade and other receivables | 16 | **24,232** | 17,456 |
| Cash and cash equivalents | 17 | **3,587** | 1,654 |
| **Total current assets** | | **27,842** | 19,138 |
| **Current liabilities** | | | |
| Trade and other payables | 18 | **(14,280)** | (13,810) |
| Borrowings | 19 | **(26,180)** | (122) |
| Provisions | 20 | **(47)** | (58) |
| **Total current liabilities** | | **(40,507)** | (13,990) |
| **Net current (liabilities)/assets** | | **(12,665)** | 5,148 |
| **Total assets less current liabilities** | | **561** | 26,832 |
| **Non-current liabilities** | | | |
| Borrowings | 19 | **-** | (18,014) |
| **Total non-current liabilities** | | **-** | (18,014) |
| **Total assets employed** | | **561** | 8,818 |
| | | | |
| **Financed by:** | | | |
| Public dividend capital | | **6,174** | 5,683 |
| Revaluation reserve | | **2,360** | 7,256 |
| Income and expenditure reserve | | **(7,973)** | (4,121)* |
| **Total taxpayers' equity** | | **561** | 8,818 |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

The notes on pages 8 to 38 form part of this account

The annual accounts on pages 1 to 38 were approved by the Board on 6 July 2020 and signed on its behalf by:

**Chief Executive:** **Date: 6 July 2020**

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

| | Public Dividend Capital | Revaluation Reserve | Income and expenditure reserve (restated) | Total (restated) |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| **Taxpayers' and others' equity at 1 April 2019 – brought forward** | **5,683** | **7,256** | **(4,121)** | **8,818** |
| Deficit for the year | - | - | (7,958)** | **(7,958)** |
| Transfers by absorption: transfers between reserves | - | (4,106) | 4,106 | **-** |
| Revaluations | - | (790) | - | **(790)** |
| Public dividend capital received | 491 | - | - | **491** |
| **Taxpayers' and others' equity at 31 March 2020** | **6,174** | **2,360** | **(7,973)** | **561** |
| **Taxpayers' and others' equity at 1 April 2018 – brought forward** | 5,671 | 7,161 | 7,717 | **20,549** |
| Prior period adjustment | - | - | (4,038)* | **(4,038)** |
| **Taxpayers' and others' equity at 1 April 2018 - restated** | **5,671** | **7,161** | **3,679** | **16,511** |
| Impact of implementing IFRS 9 on 1 April 2018 | - | - | (120) | **(120)** |
| Deficit for the year | - | - | (7,680)* | **(7,680)** |
| Revaluations | - | 95 | - | **95** |
| Public dividend capital received | 12 | - | - | **12** |
| **Taxpayers' and others' equity at 31 March 2019** | **5,683** | **7,256** | **(4,121)*** | **8,818** |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

** This figure includes the loss arising from transfers by absorption of £8,008k. The details of the transfer are provided in Note 26.1 Transfers by absorption.

**Information on reserves**

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

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

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

## Statement of Cash Flows for the year ended 31 March 2020

| | Note | 2019/20 £000 | 2018/19 (restated) £000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Operating surplus/(deficit) | | **535** | (7,141)* |
| **Non-cash income and expense:** | | | |
| Depreciation and amortisation | 6 | **1,956** | 2,285* |
| (Increase) in receivables and other assets | | **(6,691)** | (3,623) |
| Decrease in Inventories | | **5** | 12 |
| Increase in payables and other liabilities | | **144** | 731 |
| (Decrease)/increase in provisions | | **(11)** | 19 |
| **Net cash used in operating activities** | | **(4,062)** | (7,717)* |
| | | | |
| **Cash flows from investing activities** | | | |
| Interest received | | **29** | 44 |
| Purchase of intangible assets | | **(567)** | (795) |
| Purchase of property, plant, equipment and investment property | | **(1,488)** | (1,832)* |
| **Net cash used in investing activities** | | **(2,026)** | (2,583)* |
| | | | |
| **Cash flows from financing activities** | | | |
| Public dividend capital received | | **491** | 12 |
| Movement on loans from Department of Health and Social Care | | **8,026** | 9,401 |
| Interest on loans | | **(473)** | (176) |
| PDC dividend paid | | **(23)** | (228) |
| **Net cash generated from financing activities** | | **8,021** | 9,009 |
| **Increase/(decrease) in cash and cash equivalents** | | **1,933** | (1,291) |
| | | | |
| **Cash and cash equivalents at 1 April – brought forward** | | **1,654** | 2,945 |
| **Cash and cash equivalents at 31 March** | 17 | **3,587** | 1,654 |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

## Notes to the Accounts

## Note 1 - Accounting policies and other information

### Note 1.1 - Basis of preparation

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

#### *Note 1.1.1 Accounting convention*

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

### Note 1.2 - Going concern

These accounts have been prepared on a going concern basis.

The accounting rules (IAS 1) require management to assess, as part of the accounts preparation process, the NHS Foundation Trust's ability to continue as a going concern. In accordance with the NHS Foundation Trusts' Annual Reporting Manual the financial statements have been prepared on a going concern basis as the Trust does not either intend to apply to the Secretary of State for the dissolution of the Trust without the transfer of the services to another entity, or consider that this course of action will be necessary. The Trust is also required to disclose material uncertainties in respect of events or conditions that may cast significant doubt upon the going concern ability of the Trust and these are disclosed below.

The Trust reported a deficit of £7.96m in 2019/20. However, this includes a £8.0m non-recurrent loss on transfer by absorption in respect of the Trust's transfer of services in Wigan to a new provider. Excluding this one-off item the Trust's adjusted financial position for 2019/20 is a surplus of £0.005m against a planned deficit of £0.3m, showing a favourable variance £0.305m. The performance in the year required interim revenue support to be provided of £7.6m.

Due to the current Covid-19 crisis, the national operating planning process for 2020-21 has been suspended and emergency alternative funding arrangements have been put in place by the Department of Health. Prior to the implementation of these measures, the Trust had produced and submitted a draft operating plan in line with local health system requirements and partners. This forms the basis of the 2020-21 Trust plan and is reflected in the operational budgets set for 2020-21.

In its place all NHS Providers were moved to block contract payments on account for an initial period to 31st July 2020, however this has recently been extended to 31st October 2020 as a minimum. In addition, there is also a top up mechanism available that is funded centrally to ensure all Trusts achieve a break-even position.

As with any financial plan, there are potential risks and opportunities to its delivery. The Board is confident that any risks can be successfully mitigated through focused scrutiny on the output of the service line reporting programme implemented by the Trust in 2017/18 and in conjunction with our commissioners.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £26,180k are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust. Therefore the Trust does not anticipate requiring any further financial support to be provided to enable the Trust to meet its debts as they fall due over the foreseeable future, which is defined as the period of 12 months from the date the accounts are signed and will be able to provide ongoing healthcare services.

Having considered the uncertainties in the Trust's financial plans, the directors have determined that these are not material and it remains appropriate to prepare these accounts on a going concern basis.

**Note 1.3 - Revenue**

***Note 1.3.1 Revenue from contracts with customers***

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

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

***Revenue from NHS contracts***

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

***NHS injury cost recovery scheme***

The 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. 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, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

***Provider sustainability fund (PSF) and Financial recovery fund (FRF)***

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

**Note 1.4 Other forms of income**

***Grants and donations***

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

***Apprenticeship service income***

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

**Note 1.5 - Expenditure on employee benefits**

***Short-term employee benefits***

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

**Pension costs - NHS Pension Scheme**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

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

**Note 1.6 - Expenditure on other goods and services**

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

**Note 1.7 - Property, plant and equipment**

***Recognition***

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000,
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control, or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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 lives.

***Subsequent expenditure***

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

***Change in accounting policy***

Since 2014/15 the Trust has capitalised wheelchairs and home loan equipment costing over £500. The Trust has adopted a change in accounting policy with effect from 1 April 2019 whereby wheelchairs and home loan equipment are treated as a revenue expense. The change in accounting policy was considered appropriate given that the Trust has been the only community services provider to capitalise home loan equipment and therefore the Trust considers the change in accounting policy to provide more relevant information for comparison with other community services providers. Retrospective application has been possible and the impact of this change in accounting policy on 2018/19 and prior periods is detailed in Note 25 Prior period adjustment.

***Measurement***

***Valuation***

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

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

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. The last full valuation was performed as at 31 March 2019 and the current year valuation has been based on a desktop exercise. Current values in existing use are determined as follows:

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

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

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

***Depreciation***

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as ‘held for sale’ cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

***Revaluation gains and losses***

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

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

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

***Impairments***

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

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

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

***De-recognition***

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales; and
- the sale must be highly probable.

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.

***Donated and grant funded assets***

Donated and grant funded property, plant and equipment assets are capitalised at their 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 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.

***Useful economic lives of property, plant and equipment***

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

| | **Min life Years** | **Max life Years** |
|---|---|---|
| Land | - | - |
| Buildings, excluding dwellings | 5 | 79 |
| Plant and machinery | 1 | 10 |

| | | |
|---|---|---|
| Information technology | 1 | 7 |
| Furniture and fittings | 1 | 7 |

**Note 1.8 - Intangible assets**

***Recognition***

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

***Measurement***

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

***Amortisation***

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

***Useful economic life of intangible assets***

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

| | **Min life Years** | **Max life Years** |
|---|---|---|
| Software licences | 1 | 12 |
| Other (purchased) | 1 | 12 |

**Note 1.9 - Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method. This is considered to be a reasonably approximation to fair value due to the high turnover of stocks.

**Note 1.10 - Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant

risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

**Note 1.11 - Financial instruments and financial liabilities**

***Recognition***

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

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e when receipt or delivery of the goods or services is made.

***Classification and measurement***

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

***Financial assets and financial liabilities at amortised cost***

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

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

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

***Impairment of financial assets***

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-

month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

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

***De-recognition***

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

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

**Note 1.12 - Leases**

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

**The Trust as lessee**

***Finance leases***

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

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

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

***Operating leases***

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

***Leases of land and buildings***

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

**Note 1.13 - Provisions**

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other

resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective as at 31 March 2020.

***Clinical negligence costs***

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 20 but is not recognised in the Trust's accounts.

***Non-clinical risk pooling***

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

**Note 1.14 – Contingencies**

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

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

Contingent liabilities are defined as:

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

**Note 1.15 - Public dividend capital**

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

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- donated assets (including lottery funded assets),
- average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
- any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

**Note 1.16 - Value added tax**

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

**Note 1.17 - Corporation tax**

The Trust has determined that it is has no corporation tax liability as it does not operate any commercial activities that are not part of core health care delivery.

**Note 1.18 - Foreign exchange**

The functional and presentational currencies of the Trust are 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.

**Note 1.19 - Third party assets**

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

**Note 1.20 - Losses and special payments**

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

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

**Note 1.21 - 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.

**Note 1.22 Transfers of functions to other NHS bodies**

For functions that the Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss corresponding to the net assets transferred is recognised within expenses, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

**Note 1.23 – Early adoption of standards, amendments and interpretations**

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

**Note 1.24 - Accounting standards that have been issued but have not yet been adopted**

**IFRS 16 Leases**

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

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

On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. No adjustments will be made on 1 April 2020 for existing finance leases.

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

**Other standards, amendments, and interpretations**

IFRS 14 Regulatory Deferral Accounts - Not EU endorsed. Applies to first time adopters after 1 January 2016. Therefore not applicable to DHSC Group bodies.

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.

**Note 1.25 Critical judgements in applying accounting policies**

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Non-consolidation of the Trust's element of the registered charity North West Boroughs Partnership NHS Foundation Trust Charitable Fund (charity number 1061651). In making this judgement the Trust has made reference to the DH GAM 2018/19. The Trust's element of this fund is managed under a Service-level agreement with North West Boroughs Partnership NHS Foundation Trust. Whilst the Trust is able to requisition expenditure from this fund within the constraints of the fund objective, corporate Trusteeship of the fund remains with North West Boroughs Partnership NHS Foundation Trust. Where a body acts as a corporate Trustee, there is a presumption that the body possesses 'control' of the fund. Therefore there is no need for the Trust to consolidate.

**Note 1.26 Sources of estimation uncertainty**

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

- The valuation exercise performed on the Trust's land and buildings was carried out in April 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

## Note 2 Operating Segments

The Trust operates in a single segment, the provision of healthcare community services. There are therefore no reportable segments.

Income from transactions with the following organisations is in excess of 10% of total income:

| | **2019/20** | 2018/19 |
|---|---|---|
| | **£'000** | £'000 |
| CCGs and NHS England | **71,908** | 103,093 |
| Local authorities | **20,347** | 31,272 |

## Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.3.

### Note 3.1 Income from patient care activities (by nature)

| | **2019/20** | 2018/19 (Restated) |
|---|---|---|
| | **£000** | £000 |
| **Acute services** | | |
| A&E income | **5,025** | 6,600 |
| **Community services** | | |
| Community services income from CCGs and NHS England | **63,881** | 96,493 |
| Income from other sources (e.g. local authorities) | **27,588** | 36,797 |
| **All services** | | |
| Agenda for Change pay award central funding* | **-** | 1,546 |
| Additional pension contribution central funding | **3,002** | - |
| Other clinical income | **1,138** | 1,536 |
| **Total income from activities** | **100,634** | 142,972 |

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

The 2018/19 figures have been restated to transfer £680k of income from 'Non NHS: other' in the table above to 'Other operating income' in Note 4 (£295k as 'Non-patient care services to other bodies' and £385k as 'Other income'). This income was incorrectly categorised in 2018/19.

### Note 3.2 Income from patient care activities (by source)

| | **2019/20** | 2018/19 (Restated) |
|---|---|---|
| | **£000** | £000 |
| NHS England | **18,822** | 15,866 |
| Clinical commissioning groups | **53,086** | 87,227 |
| Department of Health and Social care | **-** | 1,546 |
| Other NHS providers | **7,241** | 5,525 |
| Local authorities | **20,347** | 31,272 |
| NHS injury scheme | **198** | 486 |

| | | |
|---|---|---|
| Non-NHS: other | **940** | 1,050 |
| | **100,634** | 142,972 |
| **Of which:** | | |
| Related to continuing operations | **100,634** | 142,972 |
| Related to discontinued operations | **-** | - |

Revenue from patient care services includes income accrued for activity where data is not available at 31 March 2020. Wherever possible reference is made back to final data but estimates and assumptions are applied in order to ensure the completeness of income reported.

Injury cost recovery scheme is subject to a provision for impairment of receivables of 21.79% (2018/19: 21.89%) to reflect expected rates of collection.

The 2018/19 figures have been restated to transfer £680k of income from 'Non NHS: other' in the table above to 'Other operating income' in Note 4 (£295k as 'Non-patient care services to other bodies' and £385k as 'Other income'). This income was incorrectly categorised in 2018/19.

## Note 4 Other operating income

| | **2019/20** | 2018/19 (Restated) |
|---|---|---|
| | **£000** | £000 |
| **Other operating income from contracts with customers:** | | |
| Research and development | **9** | - |
| Education and training (excluding notional apprenticeship levy income) | **907** | 2,676 |
| Non-patient care services to other bodies | **2,695** | 935 |
| Provider sustainability fund (PSF) | **2,037** | - |
| Financial recovery Fund (FRF) | **2,891** | - |
| Other contract income | **271** | 748 |
| **Other non-contract operating income** | | |
| Education and training | **294** | - |
| | **9,104** | 4,359 |
| **Of which:** | | |
| Related to continuing operations | **9,104** | 4,359 |
| Related to discontinued operations | **-** | - |

The 2018/19 figures have been restated to include £680k of income transferred from 'Other clinical income' from patient care activities in Note 3.1 and 'Non NHS: other' income from patient care activities in Note 3.2. This income was incorrectly categorised in 2018/19 and the comparative has been correctly categorised as either 'Non-patient care services to other bodies' (£295k) or 'Other income' (£385k) in the table above.

### Note 4.1 Income from activities arising from commissioner requested services

Under the terms of its provider license, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

| | **2019/20** | 2018/19 |
|---|---|---|
| | **£000** | £000 |
| Income from services not designated as commissioner requested services | **100,634** | 142,972 |
| | **100,634** | 142,972 |

## Note 5 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

| | **2019/20** | 2018/19 |
|---|---|---|
| | **£000** | £000 |
| Income | **-** | - |
| Full cost | **-** | - |
| Surplus/(deficit) | **-** | - |

## Note 6 Operating expenses

| | **2019/20** | 2018/19 (Restated) |
|---|---|---|
| | **£000** | £000 |
| Purchase of healthcare from NHS and DHSC bodies | **6,757** | 9,194 |
| Purchase of healthcare from non-NHS and non-DHSC bodies | **2,045** | 2,106 |
| Staff and executive directors costs | **73,377** | 106,111 |
| Remuneration of non-executive directors | **126** | 119 |
| Supplies and services – clinical (excluding drugs costs) | **5,368** | 8,593* |
| Supplies and services - general | **417** | 875 |
| Drug costs (drugs inventory consumed and purchase of non-inventory drugs) | **2,456** | 2,637 |
| Consultancy | **231** | 1,275 |
| Establishment | **3,103** | 4,589 |
| Premises | **3,828** | 3,845 |
| Transport (including patient travel) | **154** | 166 |
| Depreciation on property, plant and equipment | **1,455** | 1,879* |
| Amortisation on intangible assets | **501** | 406 |
| Movement in credit loss allowance: contract receivables/contract assets | **1,427** | 37 |
| Movement in credit loss allowance: all other receivables and investments | **(26)** | (8) |
| (Decrease)/increase in other provisions | **(11)** | 19 |
| Audit fees payable to the external auditors | | |
| - audit services - statutory audit | **100** | 75 |
| - other auditors' remuneration (external auditors only) | **-** | 11 |
| Internal audit costs | **138** | 135 |
| Clinical negligence | **450** | 360 |
| Legal fees | **270** | 242 |
| Education and training | **580** | 324 |
| Rentals under operating leases | **6,371** | 10,965 |
| Redundancy | **-** | 87 |
| Other | **86** | 430 |
| | **109,203** | 154,472 |
| **Of which:** | | |
| Related to continuing operations | **109,203** | 154,472 |
| Related to discontinued operations | **-** | - |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

**Note 6.1 Other auditors' remuneration**

| | 2019/20 £000 | 2018/19 £000 |
|---|---|---|
| Other auditors' remuneration paid to the external auditors: | | |
| - Other assurance services | - | 11 |
| **Total** | **-** | 11 |

**Note 6.2 Limitation on auditors' liability**

The limitation on auditors' liability for external audit work carried out is £1 million (2018/19: £1 million).

## Note 7 Employee benefits

| | 2019/20 £000 | 2018/19 (Restated) £000 |
|---|---|---|
| Salaries and wages | **54,344** | 81,799* |
| Social security costs | **4,751** | 7,202 |
| Apprenticeship levy | **280** | 391 |
| Employer's contributions to NHS pensions | **9,807** | 10,346 |
| Pension cost - other | **31** | 20 |
| Temporary staff (including agency) | **4,646** | 6,577 |
| **Total staff costs** | **73,859** | 106,335* |
| Recoveries in respect of seconded staff | **(315)** | - |
| | **73,544** | 106,335* |
| **Of which:** | | |
| Costs capitalised as part of assets | **167** | 224* |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

**Note 7.1 Retirements due to ill health**

During 2019/20 there were 2 early retirements from the Trust agreed on the grounds of ill-health (5 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £150k (£279k in 2018/19).

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

## Note 8 Pension costs

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

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

***a) Accounting valuation***

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

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

***b) Full actuarial (funding) valuation***

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.9% and the scheme regulations were amended accordingly.

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

## Note 9 Operating leases

This note discloses costs and commitments incurred in operating lease arrangements where Bridgewater Community Healthcare NHS Foundation Trust is the lessee.

Bridgewater Community Healthcare NHS Foundation Trust has included within lease costs occupancy charges in relation to occupancy of premises owned and controlled by NHS Property Services Ltd and Community Health Partnerships. Whilst the Trust occupies properties from NHS Property Services Ltd and Community Health Partnerships under arrangements which the Trust considers to be operating leases, the Trust does not have agreed formal lease arrangements in place.

The minimum lease payments disclosed below therefore only include our expected costs for these properties.

| | **2019/20** | 2018/19 |
|---|---|---|
| | **£000** | £000 |
| **Operating lease expense** | | |
| Minimum lease payments | **6,371** | 10,965 |
| **Total** | **6,371** | 10,965 |

| | **2019/20** | 2018/19 |
|---|---|---|
| | **£'000** | £'000 |
| **Future minimum lease payments due:** | | |
| - not later than one year; | **6,041** | 6,323 |
| - later than one year and not later than five years; | **18,474** | 18,717 |
| - later than five years. | **7,875** | 4,758 |
| **Total** | **32,390** | 29,798 |

## Note 10 Finance Income

| | 2019/20 £000 | 2018/19 £000 |
|---|---|---|
| Interest on bank accounts | **29** | 44 |
| **Total** | **29** | 44 |

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

## Note 11 Finance Expenditure

| | 2019/20 £000 | 2018/19 £000 |
|---|---|---|
| Interest expense: | | |
| Loans from the Department of Health and Social Care | **491** | 278 |
| **Total** | **491** | 278 |

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

## Note 12 Intangible assets

### Note 12.1 Intangible assets – 2019/20

| | Software Licences £000 | Internally generated information technology £000 | Other (purchased) £000 | Total £000 |
|---|---|---|---|---|
| **Valuation/gross cost at 1 April 2019** | **-** | **4,112** | **-** | **4,112** |
| Additions | 1,153 | - | 9 | **1,162** |
| Reclassifications | 4,024 | (4,112) | 85 | **(3)** |
| **Valuation/gross cost at 31 March 2020** | **5,177** | **-** | **94** | **5,271** |
| | | | | |
| **Amortisation at 1 April 2019** | **-** | **1,944** | **-** | **1,944** |
| Provided during the year | 491 | - | 10 | **501** |
| Reclassifications | 1,910 | (1,944) | 31 | **(3)** |
| **Amortisation at 31 March 2020** | **2,401** | **-** | **41** | **2,442** |
| | | | | |
| **Net book value at 31 March 2020** | **2,776** | **-** | **53** | **2,829** |
| Net book value at 31 March 2019 | - | 2,168 | - | 2,168 |

### Note 12.2 Intangible assets – 2018/19

| | Internally generated information technology £000 |
|---|---|
| **Valuation/gross cost at 1 April 2018** | **3,317** |
| Additions | 795 |
| **Valuation/gross cost at 31 March 2019** | **4,112** |
| | |
| **Amortisation at 1 April 2018** | **1,538** |
| Provided during the year | 406 |
| **Amortisation at 31 March 2019** | **1,944** |
| | |
| **Net book value at 31 March 2019** | **2,168** |
| Net book value at 31 March 2018 | 1,779 |

## 13 Property, plant and equipment

**Note 13.1 Property, plant and equipment – 2019/20**

| | Land | Buildings excluding dwellings | Plant & machinery | Information technology | Furniture & fittings | Total |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| **Valuation/gross cost at 1 April 2019 – brought forward** | **2,379** | **10,519** | **4,378** | **9,482** | **658** | **27,416** |
| Transfers by absorption | (1,348) | (5,193) | (1,487) | (1,244) | - | **(9,272)** |
| Additions | - | 422 | 131 | 666 | - | **1,219** |
| Revaluations | - | (913) | - | - | - | **(913)** |
| Reclassifications | (1) | (15) | 9 | 13 | (1) | **5** |
| **Valuation/gross cost at 31 March 2020** | **1,030** | **4,820** | **3,031** | **8,917** | **657** | **18,455** |
| | | | | | | |
| **Accumulated depreciation at 1 April 2019 – brought forward** | **-** | **203** | **2,381** | **5,536** | **386** | **8,506** |
| Transfers by absorption | - | - | (648) | (616) | - | **(1,264)** |
| Provided during the year | - | 189 | 277 | 947 | 42 | **1,455** |
| Revaluations | - | (123) | - | - | - | **(123)** |
| Reclassifications | - | (11) | 2 | 15 | (1) | **5** |
| **Accumulated depreciation at 31 March 2020** | **-** | **258** | **2,012** | **5,882** | **427** | **8,579** |
| | | | | | | |
| **Net book value at 31 March 2020** | **1,030** | **4,562** | **1,019** | **3,035** | **230** | **9,876** |
| Net book value at 31 March 2019 | 2,379 | 10,316 | 1,997 | 3,946 | 272 | 18,910 |

**Note 13.2 Property, plant and equipment – 2018/19**

| | Land | Buildings excluding dwellings | Plant & machinery | Information technology | Furniture & fittings | Total |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 Restated | £000 | £000 | £000 Restated |
| **Valuation/gross cost at 1 April 2018 – as previously stated** | **2,424** | **10,714** | **10,556** | **8,597** | **658** | **32,949** |
| Prior period adjustments | - | - | (6,873)* | - | - | **(6,873)*** |
| **Valuation/gross cost at 1 April 2018 - restated** | **2,424** | **10,714** | **3,683** | **8,597** | **658** | **26,076** |
| Additions | - | 25 | 695* | 885 | - | **1,605*** |
| Revaluations | **(45)** | (220) | - | - | - | **(265)** |
| **Valuation/gross cost at 31 March 2019** | **2,379** | **10,519** | **4,378*** | **9,482** | **658** | **27,416** |
| | | | | | | |
| **Accumulated depreciation at 1 April 2018 – as previously stated** | **-** | **161** | **4,754** | **4,563** | **344** | **9,822** |
| Prior period adjustments | - | - | (2,835)* | - | - | **(2,835)*** |
| **Accumulated depreciation at 1 April 2018 - restated** | **-** | **161** | **1,919** | **4,563** | **344** | **6,987** |
| Provided during the year | - | 402 | 462* | 973 | 42 | **1,879*** |
| Revaluations | - | (360) | - | - | - | **(360)** |
| **Accumulated depreciation at 31 March 2019** | **-** | **203** | **2,381*** | **5,536** | **386** | **8,506*** |
| | | | | | | |
| **Net book value at 31 March 2019** | **2,379** | **10,316** | **1,997*** | **3,946** | **272** | **18,910*** |
| Net book value at 31 March 2018 | 2,424 | 10,553 | 1,764* | 4,034 | 314 | 19,089* |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

**Note 13.3 Property, plant and equipment financing – as at 31 March 2020**

| | Land | Buildings excluding dwellings | Plant & machinery | Information technology | Furniture & fittings | Total |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Owned | 1,030 | 4,562 | 1,019 | 3,035 | 230 | **9,876** |
| **Net book value at 31 March 2020** | **1,030** | **4,562** | **1,019** | **3,035** | **230** | **9,876** |

**Note 13.4 Property, plant and equipment financing – as at 31 March 2019**

| | Land | Buildings excluding dwellings | Plant & machinery | Information technology | Furniture & fittings | Total |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 Restated | £000 | £000 | £000 |
| Owned | 2,379 | 10,316 | 1,997* | 3,946 | 272 | 18,910* |
| **Net book value at 31 March 2019** | **2,379** | **10,316** | **1,997*** | **3,946** | **272** | **18,910*** |

* These figures have been updated to reflect the change in accounting policy adopted for wheelchairs and home loan equipment. The change in accounting policy and the impact thereof is detailed in Note 25 Prior period adjustment.

## Note 14 Revaluations of property, plant and equipment

All of the Trust's owned Land and Buildings have been revalued at 31 March 2020 based on a desktop exercise (the last full valuation was performed as at 31 March 2019). The revaluation was carried out independently by:

DVS - Property Services arm of the VOA (DipSurv MRICS RICS Registered Valuer)
Crewe Valuation Office
2nd Floor Wellington House
Delamere Street
Crewe
CW1 2LQ

The revaluation was undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the Annual Reporting Manual. The assumption has been made that the properties valued will continue to be held for the foreseeable future having regard to the prospect and viability of the continuance of occupation. The basis of valuation is Current Value which has been interpreted as market value for existing use.

For those properties where there is market-based evidence to support the use of 'Existing Use Value' (EUV) to arrive at Current Value the comparative method of valuation has been adopted.

For those properties where there is no market based evidence to support the use of EUV to arrive at Current Value, the Depreciated Replacement Cost (DRC) approach has been used.

## Note 15 Inventories

| | **31 March 2020** | 31 March 2019 |
|---|---|---|
| | **£000** | £000 |
| Drugs | **23** | 28 |
| **Total inventories** | **23** | 28 |
| **Of which:** | | |
| Held at fair value less costs to sell | **-** | - |

Inventories recognised in expenses for the year were £2,456k (2018/19: £2,637k). Write-down of inventories recognised as expenses for the year were £nil (2018/19: £nil).

## Note 16 Trade and other receivables

### Note 16.1 Current and non-current trade receivables and other receivables

| | **31 March 2020** | 31 March 2019 |
|---|---|---|
| | **£000** | £000 |
| **Current** | | |
| Contract receivables | **24,632** | 16,190 |
| Allowance for impaired contract receivables/assets | **(1,956)** | (529) |
| Prepayments (non-PFI) | **1,095** | 889 |
| PDC dividend receivable | **9** | 9 |
| VAT receivable | **332** | 569 |
| Other receivables | **120** | 328 |
| **Total current trade and other receivables** | **24,232** | 17,456 |

| | | |
|---|---|---|
| **Non-current** | | |
| Provision for impaired receivables | **(137)** | (163) |
| Other receivables | **658** | 769 |
| **Total non-current trade and other receivables** | **521** | 606 |
| **Of which receivables from NHS and DHSC group bodies:** | | |
| Current | **17,655** | 10,232 |
| Non-current | **-** | **-** |

The majority of the Trust's revenue comes from contracts with other public sector bodies and therefore the Trust has low exposure to credit risk.

**Note 16.2 Allowances for credit losses**

| | **Contract receivable and contract assets** | **All other receivables** |
|---|---|---|
| | **£000** | **£000** |
| **Allowances as at 1 April 2019 – brought forward** | **529** | **163** |
| Net allowances arising | **1,427** | **-** |
| Reversals of allowances | **-** | **(26)** |
| **Allowances at 31 March 2020** | **1,956** | **137** |

| | **Contract receivable and contract assets** | **All other receivables** |
|---|---|---|
| | **£000** | **£000** |
| **Allowances as at 1 April 2018 – brought forward** | **-** | **543** |
| Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018 | **492** | **(372)** |
| Net allowances arising | **37** | **-** |
| Changes in existing allowances | **-** | **(8)** |
| **Allowances at 31 March 2019** | **529** | **163** |

**Note 16.3 Exposure to credit risk**

The majority of the Trust's revenue comes from contracts with other public sector bodies and therefore the Trust has low exposure to credit risk. The maximum exposures as at 31st March 2020 are in receivables from customers, as disclosed in the table above.

## Note 17 Cash and cash equivalent movements

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

| | **2019/20** | 2018/19 |
|---|---|---|
| | **£000** | £000 |
| **At 1 April** | **1,654** | 2,945 |
| Net change in year | **1,933** | (1,291) |
| **At 31 March** | **3,587** | 1,654 |

| | | |
|---|---|---|
| **Broken down into:** | | |
| Cash at commercial banks and in hand | **16** | 24 |
| Cash with the Government Banking Service | **3,571** | 1,630 |
| **Total cash and cash equivalents as in SoFP and SoCF** | **3,587** | 1,654 |

## Note 18 Trade and other payables

| | **31 March 2020** | 31 March 2019 |
|---|---|---|
| | **£000** | £000 |
| **Current** | | |
| Trade payables | **8,396** | 6,729 |
| Capital payables | **729** | 403 |
| Accruals | **3,013** | 3,218 |
| Social security costs | **1,234** | 2,045 |
| Other payables | **908** | 1,415 |
| **Total current trade and other payables** | **14,280** | 13,810 |
| | | |
| **Of which: payables to NHS and DHSC group bodies:** | | |
| Current | 6,580 | 4,805 |
| Non-current | - | - |

## Note 19 Borrowings

| | **31 March 2020** | 31 March 2019 |
|---|---|---|
| | **£000** | £000 |
| **Current** | | |
| Loans from the Department of Health and Social Care | **26,180** | 122 |
| **Total current borrowings** | **26,180** | 122 |
| **Non-current** | | |
| Loans from the Department of Health and Social Care | **-** | 18,014 |
| **Total non-current borrowings** | **-** | 18,014 |

### Note 19.1 Reconciliation of liabilities arising from financing activities – 2019/20

| | **Loans from DHSC** | **Total** |
|---|---|---|
| | **£000** | **£000** |
| **Carrying value at 1 April 2019** | 18,136 | **18,136** |
| **Cash movements:** | | |
| Financing cash flows – payments and receipts of principal | 8,026 | **8,026** |
| Financing cash flows – payments of interest | (473) | **(473)** |
| **Non-cash movements:** | | |
| Application of effective interest rate | 491 | **491** |
| **Carrying value at 31 March 2020** | 26,180 | **26,180** |

### Note 19.2 Reconciliation of liabilities arising from financing activities – 2018/19

| | Loans from DHSC | Total |
|---|---|---|
| | £000 | £000 |
| **Carrying value at 1 April 2018** | **8,613** | **8,613** |
| **Cash movements:** | | |
| Financing cash flows – payments and receipts of principal | 9,401 | 9,401 |
| Financing cash flows – payments of interest | (176) | (176) |
| **Non-cash movements:** | | |
| Impact of implementing IFRS 9 on 1 April 2018 | 20 | 20 |
| Application of effective interest rate | 278 | 278 |
| **Carrying value at 31 March 2019** | **18,136** | **18,136** |

## Note 20 Provisions for liabilities and charges analysis

| | Pensions: injury benefits | Legal Claims | Total |
|---|---|---|---|
| | £'000 | £'000 | £'000 |
| **At 1 April 2019** | **58** | - | **58** |
| Arising during the year | - | 67 | **67** |
| Reversed unused | (58) | (20) | **(78)** |
| **At 31 March 2020** | **-** | **47** | **47** |
| **Expected timing of cash flows:** | | | |
| - not later than one year | - | 47 | **47** |
| **Total** | **-** | **47** | **47** |

The provision for legal claims as at 31 March 2020 relates to the Liabilities to Third Parties Scheme "LTPS" provision. This provision had previously been categorised as Pensions: injury benefits provision and has been reclassified during 2019/20.

### Note 20.1 Clinical negligence liabilities

At 31 March 2020, £2,611k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Bridgewater Community Healthcare NHS Foundation Trust (31 March 2019: £1,048k).

## Note 21 Contractual capital commitments

| | 31 March 2020 | 31 March 2019 |
|---|---|---|
| | £000 | £000 |
| Property, plant and equipment | **21** | 58 |
| Intangible assets | **44** | 23 |
| **Total** | **65** | 81 |

## Note 22 Financial Instruments

### Note 22.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with NHS England, Clinical Commissioning Groups and Local Authorities and the way NHS England, Clinical Commissioning Groups and Local Authorities are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and 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.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

**Currency risk**

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

**Interest rate risk**

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the department of health. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

**Credit risk**

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31st March 2020 are in receivables from customers, as disclosed in the trade and other receivables note."

**Liquidity risk**

The Trust's operating costs are incurred under contracts with other NHS bodies, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from internally generated resources. The Trust is not, therefore, exposed to significant liquidity risks.

### Note 22.2 Carrying values of Financial assets

| | Held at amortised cost |
|---|---|
| | £000 |
| **Carrying values of financial assets as at 31 March 2020** | |
| Trade and other receivables excluding non-financial assets | **22,297** |
| Cash and cash equivalents at bank and in hand | **3,587** |
| **Total at 31 March 2020** | **25,884** |

| | Held at amortised cost £000 |
|---|---|
| **Carrying values of financial assets as at 31 March 2019** | |
| Trade and other receivables excluding non-financial assets | **15,909** |
| Cash and cash equivalents at bank and in hand | **1,654** |
| **Total at 31 March 2019** | **17,563** |

**Note 22.3 Carrying values of financial liabilities**

| | Held at amortised cost £000 |
|---|---|
| **Carrying values of financial liabilities as at 31 March 2020** | |
| Loans from the Department of Health and Social Care | **26,180** |
| Trade and other payables excluding non-financial liabilities | **12,268** |
| **Total at 31 March 2020** | **38,448** |

| | |
|---|---|
| **Carrying values of financial liabilities as at 31 March 2019** | |
| Loans from the Department of Health and Social Care | **18,136** |
| Trade and other payables excluding non-financial liabilities | **11,685** |
| **Total at 31 March 2019** | **29,821** |

**Note 22.4 Maturity of financial liabilities**

| | **31 March 2020** | 31 March 2019 |
|---|---|---|
| | **£000** | £000 |
| In one year or less | **38,448** | 11,685 |
| In more than one year but not more than two years | **-** | - |
| In more than two years but not more than five years | **-** | 18,136 |
| In more than five years | **-** | - |
| **Total** | **38,448** | 29,821 |

## Note 23 Losses and special payments

| | **2020** | | **2019** | |
|---|---|---|---|---|
| | **Total number of cases** | **Total value of cases** | **Total number of cases** | **Total value of cases** |
| | **£000** | **£000** | **£000** | **£000** |
| **Losses** | | | | |
| Bad debts and claims abandoned | 33 | 6 | 27 | 4 |
| **Total losses** | **33** | **6** | 27 | 4 |
| **Special payments** | | | | |
| Ex-gratia payments | 2 | 24 | - | - |
| **Total special payments** | **2** | **24** | - | - |
| **Total losses and special payments** | **35** | **30** | 27 | 4 |

## Note 24 Related parties

The Trust considers the Department of Health and Social Care as its parent department and the following provides a list of the main entities within the public sector with which the body has had dealings:

- Department of Health ministers
- Board members of the NHS foundation Trust
- The Department of Health and Social Care
- Other NHS foundation Trusts
- Other NHS Trusts
- CCGs and NHS England
- Other health bodies
- Other Government departments
- Local authorities
- NHS charitable funds (where not consolidated)

During the reporting period none of the Department of Health Ministers has undertaken any material transactions with Bridgewater Community Healthcare NHS Foundation Trust.

During the reporting period, the following Trust board members or members of the key management staff, or parties related to any of them, have undertaken material transactions with Bridgewater Community Healthcare NHS Foundation Trust.

The Trust's Director of Workforce & Organisational Development, Michelle Cloney, is a joint appointment with Warrington and Halton Hospitals NHS Foundation Trust. The Trust's Medical Directors, Simon Constable (1st July 2019 to 1st November 2019) and Alex Crowe (1st November 2019 to 31st March 2020), were both joint appointments with Warrington and Halton Hospitals NHS Foundation Trust. During 2019/20, the Trust has invoiced Warrington and Halton Hospitals NHS Foundation Trust £159k for the provision of Health Care Services in accordance with the Service Level Agreements in place, and has incurred expenditure of £1,163k with Warrington and Halton Hospitals NHS Foundation Trust for Diagnostics and Pharmacy services. As at 31 March 2020, the Trust recognises a contract receivable of £334k and a trade payable of £279k with Warrington and Halton Hospitals NHS Foundation Trust.

During the reporting period Bridgewater has had a significant number of material transactions (greater than £1 million) with these parties, the details of which are:

**CCGs**
NHS Halton CCG
NHS St Helens CCG
NHS Warrington CCG

**NHS England**
NHS Core
NW Regional Office

**NHS Trusts**
St Helens and Knowsley Hospital Services NHS Trust

**NHS Foundation Trusts**
Greater Manchester Mental Health NHS Foundation Trust
Warrington and Halton Hospitals NHS Foundation Trust
Wrightington, Wigan and Leigh NHS Foundation Trust

**Other NHS Bodies**
NHS Pension Scheme
NHS Property Services

## Note 25 Prior period adjustment

Since 2014/15 the Trust has capitalised wheelchairs and home loan equipment costing over £500. The Trust has adopted a change in accounting policy with effect from 1 April 2019 whereby wheelchairs and home loan equipment are treated as a revenue expense. The change in accounting policy was considered appropriate given that the Trust has been the only community services provider to capitalise home loan equipment and therefore the Trust considers the change in accounting policy to provide more relevant information for comparison with other community services providers.

Retrospective application has been possible and this change in accounting policy has impacted the 2018/19 comparative figures within these annual accounts as follows:

• *Statement of Financial Position - Property Plant and Equipment (Plant and Machinery)*

£1,179k decrease (credit) in additions purchased in the year and £1,463k decrease (debit) in depreciation provided during the year.

• *Statement of Comprehensive Income - Operating Expenditure*

£955k increase (debit) in 'supplies and services - clinical (excluding drugs costs)', £224k increase (debit) in 'staff and executive directors costs' and £1,463k decrease (credit) in 'depreciation' charge.

This change has also resulted in a prior period adjustment and therefore the following restatement of the Statement of Financial Position and the Statement of Changes in Equity at 1 April 2018 has occurred:

• *Statement of Financial Position - Property Plant and Equipment (Plant and Machinery)*

£6,873k decrease (credit) in gross cost and £2,835k decrease (debit) in accumulated depreciation.

• *Statement of Changes in Equity - Income and expenditure reserve*

£4,038k decrease in Taxpayers' and others' equity.

## Note 26 Transfers of services

### Note 26.1 Transfers by absorption

On 1st April 2019, the Trust's services in Wigan transferred to a new provider, Wrightington, Wigan and Leigh NHS Foundation Trust, as part of a planned move towards the establishment of a Local Care Organisation.

The following balances and reserves were transferred to Wrightington, Wigan and Leigh NHS Foundation Trust as result of this divestment:

| | £'000 |
|---|---|
| **PPE** | |
| Cost / valuation: Land | (1,348) |
| Cost / valuation: Buildings (excl dwellings) | (5,193) |
| Cost / valuation: Plant & Machinery | (1,487) |
| Cost / valuation: Information technology | (1,240) |
| Accumulated depreciation: Plant & Machinery | 648 |
| Accumulated depreciation: Information technology | 612 |
| **Net book value of PPE transferring** | **(8,008)** |
| **Revaluation reserve** | |
| Revaluation reserve: PPE | (4,106) |
| **Total revaluation reserve reinstated / eliminated** | **(4,106)** |

The net loss on the absorption transfer was £8,008k.

**Note 26.2 Other transfers**

On 1st April 2019, the Trust's services in Bolton transferred to a new provider, Bolton NHS Foundation Trust, as part of a planned move towards the establishment of a Local Care Organisation. No balances or reserves were transferred to Bolton NHS Foundation Trust.

## Note 27 Events after the reporting period

*Conversion of Interim Loans to Public Dividend Capital*

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. Given this relates to liabilities that existed at 31 March 2020, DHSC has updated its Group Accounting Manual to advise this is considered an adjusting event after the reporting period for providers. Outstanding interim loans totalling £26,180k as at 31 March 2020 in these financial statements have been classified as current as they will be repayable within 12 months.

*Transfers of service*

On 1st April 2020:

- the Trust's services in St Helens transferred to a new provider, St Helens and Knowsey Teaching Hospitals NHS Trust, as part of a planned move towards the establishment of a Local Care Organisation.

- the Trust's Offender Health services transferred to a new provider, Greater Manchester Mental Health NHS Foundation Trust.

# 5. Independent auditors' report to the Council of Governors of Bridgewater Community Healthcare NHS Foundation Trust

# Independent auditor's report

## to the Council of Governors of Bridgewater Community Healthcare NHS Foundation Trust

### . REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### 1. Our opinion is unmodified

We have audited the financial statements of Bridgewater Community Healthcare NHS Foundation Trust ("the Trust") for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion:

— the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2020 and of its income and expenditure for the year then ended; and

— the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2019/20 and the Department of Health and Social Care Group Accounting Manual 2019/20.

**Overview**

| | |
|---|---|
| **Materiality:** financial statements as a whole | £2m<br>2% of total revenue |

**Risks of material misstatement**

| | |
|---|---|
| **New risks** | Valuation of land and buildings |
| | Fraudulent revenue recognition |
| | Fraudulent expenditure recognition |

Basis for opinion

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

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

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

| | The risk | Our response |
|---|---|---|
| **Valuation of land and buildings**<br><br>Land and buildings (£5.6 million)<br><br>*Refer to note 1.7, 1.26 (accounting policy) and note 13 (financial disclosures – Annual Accounts).* | **Subjective valuation**<br><br>Land and buildings are required to be measured at current value in existing use. Many of the Trust's buildings are specialised and current value is determined based on the depreciated replacement cost of a modern equivalent asset.<br><br>The Trust's accounting policy requires revaluations of property, plant and equipment to be performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period.<br><br>The last full valuation was performed as at 31 March 2019 and the current year valuation has been based on a desktop exercise. The valuation is undertaken by an external expert engaged by the Trust, using construction indices and so accurate records of the current estate are required.<br><br>Valuations are inherently judgmental. There is a risk that the methodology, assumptions and underlying data, are not appropriate or correctly applied.<br><br>The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.<br><br>Following RICS published guidance issued to the profession, material uncertainty clauses have been included within the Trust valuation report due to the impact of Covid-19. Appropriate disclosure will be required to note this uncertainty. | Our procedures included:<br><br>– **Assessing valuer's credentials:** We assessed the competence, capability, objectivity and independence of the Trust's independent valuer and considered the information provided to the Trust in 2019/20 for consistency with the requirements of the DHSC Group Accounting Manual;<br><br>– **Test of detail:** We agreed the information provided to the valuer by the Trust to underlying records of the estate held.<br><br>– **Test of detail:** We critically assessed the Trust's formal consideration of indications of impairment and surplus assets within its estate, including the process undertaken and the adequacy of the formal, written decision document used in the process.<br><br>– **Methodology choice:** We used our internal valuation specialist, to critically assess the appropriateness of the valuation basis and methodology applied and identify any potential risks to the approach taken.<br><br>– **Accounting analysis**: We undertook work to understand the basis upon which any movements in the valuation of land and buildings had been classified, treated and accounted for in the financial statements and determined whether they had complied with the requirements of the DHSC Group Accounting Manual 2019/20.<br><br>– **Methodology implementation and re-performance:** We compared the asset value movements from the valuer's report to the entries in the fixed asset register This included a re-performance of the entries to confirm that any material movements in the value of land and building assets had been accounted for correctly.<br><br>– **Assessing transparency:** We considered the adequacy of the disclosures about the key judgements and degree of estimation involved in concluding whether there has been any material movement in the value of land and buildings since 31 March 2019**.** Specifically, we also considered the adequacy of disclosures made around the uncertainty caused by the Covid-19 pandemic on market data used to underpin the valuer's assumptions, and management's consideration of these factors when arriving at the year-end valuation figures. |

| | The risk | Our response |
|---|---|---|
| **Fraudulent revenue recognition**<br><br>Income from activities (£100.6 million)<br><br>*Refer to note 1.3 (accounting policy) and note 3.1 and 3.2 (financial disclosures – Annual Accounts)* | **Effect of irregularities**<br><br>Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk.<br><br>We recognise that incentives in the NHS to manipulate revenue are driven by the need to meet financial targets set by the Regulator and consequently we have not rebutted the presumption that this is a significant risk.<br><br>The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners.<br><br>We have classified income from patient care activities (from NHS England, Local Authorities and CCGs) as a significant risk to respond to this requirement given their size in comparison to materiality.<br><br>We have rebutted the fraud risk over other material income streams as we do not believe there to be an incentive to manipulate these balances and due to their size in relation to materiality. We will perform audit procedures over these balances as well as remaining alert to any indications of fraud. | Our procedures included:<br><br>— **Test of detail:** We compared the actual income for the Trust's most significant commissioners against the block contracts agreed at the start of the year and checked the validity of any significant variations between the actual income and the contract via agreement to appropriate third party confirmations;<br><br>— **Test of detail:** We inspected confirmations of balances provided by the Department of Health as part of the AoB exercise and compared the relevant income recorded in the Trust's financial statements to the expenditure balances recorded within the accounts of Commissioners. Where applicable we investigated variances and reviewed relevant correspondence to assess the reasonableness of the Trust's approach to recognising income from Commissioners;<br><br>– **Test of detail:** Cut-off procedures were performed in order to gain assurance that income has been correctly recognised in the period. |

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

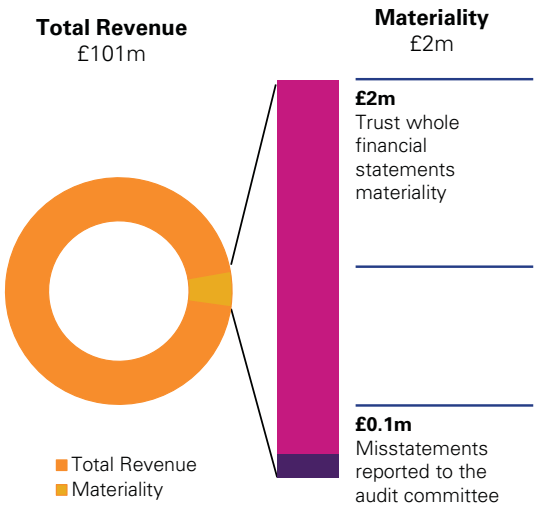
| | The risk | Our response |
|---|---|---|
| **Fraudulent Expenditure Recognition**<br><br>Other Operating Expenditure (excluding staff costs, impairments and depreciation) (£33.7 million)<br><br>Trade and other payables (£14.3 million)<br><br>*Refer to note 1.6, 1.11 (accounting policy) and note 6 and 18 (financial disclosures – Annual Accounts)* | **Effects of irregularities**<br><br>In the public sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period).<br><br>As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may be greater than the risk of fraud related to revenue recognition. There is a risk that the Trust may manipulate expenditure to meet externally set targets and we had regard to this when planning and performing our audit procedures.<br><br>This risk does not apply to all expenditure in the period. The incentives for fraudulent expenditure recognition relate to achieving financial targets and the key risks relate to the manipulation of creditors and accrued non-pay expenditure at year-end. | Our procedures included:<br><br>– **Test of detail:** We inspected all material items of expenditure in the March and April 2020 cashbooks and evaluated whether these had been accounted for correctly by reference to when the service had been delivered;<br><br>– **Test of detail:** We inspected all material items of expenditure in the April 2020 bank statements to identify if there were any unrecorded liabilities that should have been accounted for in the 2019/20 financial statements;<br><br>– **Test of detail:** We agreed a sample of individual accruals to supporting documentation to confirm the method of calculation and to confirm inclusion in the correct period;<br><br>– **Test of detail:** We agreed a sample of journals posted before and after the year end to supporting documentation to confirm inclusion in the correct period and to critically assess whether any manual adjustments to expenditure were appropriate;<br><br>– **Test of detail:** We agreed a sample of creditor balances to supporting documentation and post year-end cash payments to agree the correct treatment as a payable at year-end; and<br><br>— **Test of detail:** We inspected confirmations of balances provided by the Department of Health as part of the AoB exercise and compared the relevant payables recorded in the Trust's financial statements to the receivables balances recorded within the accounts of other providers and other bodies within the AoB boundary. Where applicable we investigated variances and reviewed relevant correspondence to assess the reasonableness of the Trust's approach to recognising expenditure to other providers and other bodies within the AoB boundary. |

## 3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £2 million, determined with reference to a benchmark of total revenue (of which it represents approximately 2%). We consider total revenue to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.1 million, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed remotely due to the Covid-19 pandemic.




## 4. We have nothing to report on going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period.

The risk that we considered most likely to adversely affect the Trust's available financial resources over this period was the availability and extent of temporary revenue and capital support from DHSC to enable it to meet liabilities. This was in the context of changes to the cash and capital regime published by DHSC in April 2020 alongside revised arrangements for NHS contracting and payment applicable for at least part of the 2020/21 year and published in March and May 2020.

As this was the risk that could potentially cast significant doubt on the Trust's ability to continue as a going concern, we considered sensitivities over the level of available financial resources indicated by the Trust's financial forecasts taking account of reasonably possible (but not unrealistic) adverse effects that could arise from these changes individually and collectively and evaluated the achievability of the actions the Accounting Officer consider they would take to improve the position should the risk materialise.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement at page 78 of the annual report and in Note 1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

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

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

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

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

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

### Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2019-20.

### Corporate governance disclosures

We are required to report to you if:

— we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or

— the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or

— the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2019-20, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

## 6. Respective responsibilities

### Accounting Officer's responsibilities

As explained more fully in the statement set out on page 78 of the Annual Report, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

### Auditor's responsibilities

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

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

# REPORT ON OTHER LEGAL AND REGULATORY MATTERS

### We have nothing to report on the statutory reporting matters

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

— any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

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

We have nothing to report in these respects.

### Our conclusion in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources is qualified

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

We have nothing to report in this respect.

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

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

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

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in April 2020, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

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

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

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

The significant risks identified during our risk assessment are set out overleaf together with the findings from the work we carried out on each area.

| Significant Risk | Description | Work carried out and judgements |
|---|---|---|
| **Financial Sustainability** | Due to a combination of regulatory scrutiny and significant financial challenge in the sector and locally across the health economy, we identified a significant risk around the Trust's overall financial performance, including its achievement of targets.<br><br>We undertook a detailed review of the Trust's arrangements for planning its finances effectively to support the sustainable delivery of strategic priorities and the maintenance of its statutory functions. | Our work included:<br><br>— Consideration of management's assessment of the Trust's ability to continue as a going concern, and performance of work to assess the Trust's financial sustainability. This included the identification of any significant one-off items included within the reported headline result.<br><br>— Consideration of the nature of financial support the Trust is receiving from the Department of Health, including terms of funding and future repayment dates.<br><br>— Assessment of the future financial forecasts for the Trust, including:<br>• Performing an analysis of the forecast position against plan;<br>• Considering the core assumptions in the 2020/21 Annual Plan submission;<br>• Considering the extent to which recurrent cost improvement schemes were achieved in 2019/20 and identified for 2020/21; and<br>• Reviewing material contracts agreed or in negotiation with commissioners for 2019/20 and the supporting risk analysis as reported to the Board.<br><br>**Our findings on this risk area:**<br><br>*In-year performance*<br><br>The Trust met its control total and achieved an adjusted financial performance surplus of £0.5m before an adjustment of £8m losses resulting from a transfer by absorption. This included PSF/FRF of £4.9m.<br><br>The cumulative CIP plan at the end of month 12 was £3.423m. Actual CIP delivery was £3.399m supported by non recurrent savings of £1.0m.<br><br>*2020/21 and beyond*<br><br>Prior to the current Covid-19 crisis, the Trust had produced and submitted a draft operating plan in line with local health system requirements and partners. This formed the basis of the 2020-21 Trust plan and is reflected in the operational budgets set for 2020-21.<br><br>*(continued overleaf)* |

| Significant Risk | Description | Work carried out and judgements |
|---|---|---|
| **Financial Sustainability (cont.)** | | In devising these plans, the Trust has an agreed financial trajectory target of £4.4m deficit. The Trust is confident in meeting this in 2020/21, in order to access the financial recovery funding (FRF) to break even. Looking ahead to 2021/22 and beyond, the Trust continues to forecast a deficit position (before FRF which then enables a breakeven position) with the size of the deficit decreasing each year, in line with their notified trajectory.<br><br>The Trust is reliant on system wide targets being met for a portion of this FRF, however this is not sufficiently significant in monetary terms to indicate weaknesses in the Trust's arrangements to secure sustainable resource deployment in the future. |
| **Reconfiguration of services** | The Trust is undergoing a period of re-configuration and rationalisation of its services. This has consisted of a number of services being transferred to new providers, as well as decisions to take on new services and consolidate existing services.<br><br>This risk primarily affects the 'informed decision making' and 'sustainable resource deployment' criterion. | We discussed with management the main changes to services during the year-ending 31 March 2020 and those planned for the future.<br><br>Our work primarily focused on:<br><br>- Governance: We reviewed the decision-making processes behind these changes in services, including creation and approval of appropriate business plans and Board sign-off;<br><br>- Financial sustainability: We considered how the ongoing services and overall continued viability of the Trust were assessed when these income streams were transferred.<br><br>**Our findings on this risk area:**<br><br>The Trust has implemented appropriate governance arrangements to make informed decisions during the year.<br><br>As part of the decision making process, the Trust appropriately considered the financial viability of the Trust post transfer.<br><br>The matters outlined provide evidence that the Trust has appropriate arrangements in place in relation to the 'informed decision making' and 'sustainable resource deployment' criterion. |

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

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

## CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Bridgewater Community Healthcare NHS Foundation Trust for the year ended 31 March 2020 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

**Debra Chamberlain**
**for and on behalf of KPMG LLP**

*Chartered Accountants*
1 St Peters Square
Manchester
M2 3AE

6 July 2020

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# 6. Key Contacts

**Your views**

We welcome your comments and feedback on our Annual Report and Accounts.

Please contact 01925 946282 or email bchft.global@nhs.net if you:

- have any further questions or need help understanding any aspect of this document
- would like to view this document in another language or format such as Braille or audio
- would like us to send you a printed copy of this document or parts of this document

**Giving feedback on our services**

If you wish to tell us about your experience of our services please contact Patient Services:

Email: bchft.patientservices@nhs.net
Telephone: 0800 587 0562

**Membership**

If you would like to have a say and help us to develop our services to meet local needs, then please consider becoming a member. Membership is open to anyone aged 14 years or over who lives in England. Please contact us to find out more:

Email: angela.green30@nhs.net

Telephone: 01925946124

Want to know more about us? You can:

- find out more about us on our website: www.bridgewater.nhs.uk
- follow us on Twitter: www.twitter.com/Bridgewater_NHS
- "like" us on Facebook www.facebook.com/BridgewaterNHS
- contact our Headquarters:

**Europa Point, Europa Boulevard, Warrington, Cheshire, WA5 7TY**

Telephone: 0844 264 3614 or
Email: enquiries@bridgewater.nhs.uk

**Acknowledgements**

Thank you to all the staff and teams who contributed to this document.

# 7. Appendices

Appendix 1 Board and Committee Attendance Register

**Appendix 1**

**Board and Committee Attendance Register – April 2019 to March 2020**

| KEY<br>AP – apologies A-absent (no apologies)<br>*closed and/or extraordinary meeting<br>**/*** two or three Board meetings in a month, some closed | | April | May* | June | July | August | September* | October | November* | December | January*/** | February* | March*/** | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Board meetings (including both public and closed meetings)** | | | | | | | | | | | | | | |
| **Andrew Gibson** | **Chair (left the Trust on 19 July 2019)** | x | x | x | | | | | | | | | | 3/3 |
| **Karen Bliss** | **Vice Chair to 19 July 2019**<br><br>**Interim Chair from 19 July to 23 September 2019**<br><br>**Chair from 23 September 2019** | x | x | x | | x | x | x | x | x | x/x | x | x/x | 13 |
| **Steve Cash** | **Non – Executive Director** | x | x | x | | x | AP | x | x | x | x/x | x | x/x | 12/13 |
| **Marian Carroll** | **Non – Executive Director**<br><br>**(left the Trust 30 June 2019)** | x | x | x | | | | | | | | | | 3/3 |
| **Sally Yeoman** | **Non – Executive Director/Senior Independent Director** | x | x | x | | x | x | x | x | x | x/x | x | x/x | 13/13 |
| **Dorothy Whitaker** | **Non – Executive Director** | x | x | x | | x | x | x | x | x | x/x | x | x/x | 13/13 |
| **Linda Chivers** | **Non – Executive Director** | x | x | x | | x | x | x | x | x | x/x | x | x/x | 13/13 |
| **Michelle Cloney** | **Director of Workforce and Organisational Development** | AP | x | x | | AP | x | x | x | x | x/x | AP | x/x | 10/13 |
| **Colin Scales** | **Chief Executive** | x | x | x | | x | x | x | x | x | x/x | x | x/x | 13/13 |
| **Lynne Carter** | **Chief Nurse and Chief Operating Officer** | x | x | x | | x | AP | x | x | x | x/AP | x | AP/AP | 9/13 |
| **David Valentine** | **Medical Director (left the Trust 13 June 2019)** | x | AP | AP | | | | | | | | | | 1/3 |
| **Simon Constable** | **Acting Medical Director (from 1 July to 31 October 2019)** | | | | | AP | x | x | | | | | | 2/3 |
| **Alex Crowe** | **Acting Medical Director (from 1 November 2019)** | | | | | | | | AP | x | x/x | x | AP/x | 5/7 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Nick Gallagher** | **Director of Finance** | x | x | x | | x | x | x | x | x | x/x | x | x/x | 13/13 |

| **KEY**<br>AP – apologies | | April | May | June | July | August | Sept | October | Nov | Dec | Jan | Feb | March | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Nominations and Remuneration Committee (held on ad – hoc basis)** | | | | | | | | | | | | | | |
| **Andrew Gibson** | **Chair (left the Trust on 19 July 2019)** | x | | x | | | | | | | | | | 2/2 |
| **Karen Bliss** | **Vice Chair to 19 July 2019**<br><br>**Interim Chair from 19 July to 23 September 2019**<br><br>**Chair from 23 September 2019** | x | | x | | | | x | x | | | x | | 5/5 |
| **Steve Cash** | **Non – Executive Director** | x | | x | | | | x | x | | | AP | | 4/5 |
| **Marian Carroll** | **Non – Executive Director (Left the Trust on 30 June 2019)** | x | | x | | | | | | | | | | 1/1 |
| **Linda Chivers** | **Non – Executive Director** | x | | x | | | | x | x | | | x | | 5/5 |
| **Sally Yeoman** | **Non – Executive Director** | x | | x | | | | x | x | | | AP | | 4/5 |
| **Dorothy Whitaker** | **Non – Executive Director** | x | | x | | | | x | x | | | x | | 5/5 |

| **KEY**<br>AP – apologies<br>*Extraordinary Audit Committee<br>** two sessions in a month | April | May<br><br>** | June | July | August | Sept | October | Nov | Dec | Jan | Feb | March | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

| Audit Committee | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Linda Chivers** | **Non – Executive Director (Chair from June 2018)** | x | X*/X | | x | | | x | | | x | x* | | 7/7 |
| **Steve Cash** | **Non – Executive Director** | x | X*/X | | x | | | AP | | | x | AP* | | 5/7 |
| **Marian Carroll** | **Non – Executive Director (left the Trust 30 June 2019)** | x | X*/AP | | | | | | | | | | | 2/3 |
| **Dorothy Whitaker** | **Non – Executive Director** | x | X*/X | | x | | | x | | | x | x* | | 7/7 |

| **KEY**<br>AP – apologies | | April | May | June | July | August | Sept | October | Nov | Dec | Jan | Feb | March | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Quality and Safety Committee** | | | | | | | | | | | | | | |
| **Marian Carroll** | **Non – Executive Director Committee Chair (left the Trust 30 June 2019)** | X | | x | | | | | | | | | | 2/2 |
| **Sally Yeoman** | **Non – Executive Director Committee Chair from 1 July 2019** | | | | | x | | x | | x | | x | | 4/4 |
| **Dorothy Whitaker** | **Non – Executive Director** | x | | x | | x | | x | | x | | x | | 6/6 |
| **Karen Bliss** | **Vice Chair (member to July 2019)** | x | | x | | | | | | | | | | 2/2 |
| **Steve Cash** | **Non-Executive Director (member from July 2019** | | | | | AP | | AP | | AP | | AP | | 0/4 |
| **Lynne Carter** | **Chief Nurse and Chief Operating Officer** | x | | X | | x | | x | | x | | x | | 6/6 |
| **David Valentine** | **Medical Director (left the Trust 13 June 2019)** | AP | | AP | | | | | | | | | | 0/2 |
| **Simon** | **Acting Medical Director** | | | | | AP | | x | | | | | | 1/2 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Constable** | **(member from 1 July to 31 October – left the Trust )** | | | | | | | | | | | | | |
| **Alex Crowe** | **Acting Medical Director (Commenced in post 1 November 2019) Director** | | | | | | | | | x | | x | | 2/2 |

| **KEY**<br>AP – apologies<br>** two meetings in a month, | | April | May | June | July | August | Sept ** | October | Nov | Dec | Jan | Feb | March | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Finance and Performance Committee** | | | | | | | | | | | | | | |
| **Steve Cash** | **Non – Executive Director (Chair)** | AP | x | x | x | | x/x | x | x | x | x | AP | x | 10/12 |
| **Sally Yeoman** | **Non – Executive Director** | x | x | x | x | | x/x | AP | x | x | AP | x | x | 10/12 |
| **Linda Chivers** | **Non-Executive Director (member from July 2019)** | | | | x | | x/x | x | AP | x | x | x | x | 8/9 |
| **Karen Bliss** | **Vice Chair (member to July 2019)** | x | x | x | | | | | | | | | | 3/3 |
| **Nick Gallagher** | **Director of Finance** | x | x | x | x | | x/x | x | x | x | x | x | x | 12/12 |
| **Lynne Carter** | **Chief Nurse and Chief Operating Officer** | x | x | x | AP | | AP/x | AP | x | x | AP | x | AP | 7/12 |

| **KEY**<br>AP – apologies<br>*March stood down du to Covid19 - e-governance | | April | May | June | July | August | Sept | October | Nov | Dec | Jan | Feb | March* | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Workforce and Organisational Committee** | | | | | | | | | | | | | | |
| **Dorothy Whitaker** | **Non-Executive Director (Chair from Nov 2018)** | | x | | x | | x | | x | | x | | | 5/5 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sally Yeoman** | **Non – Executive Director (member from Jan 2019)** | | x | | AP | | x | | x | | x | | | 4/5 |
| **Linda Chivers** | **Non – Executive Director (member from Jan 2019)** | | x | | x | | x | | AP | | x | | | 4/5 |
| **Michelle Cloney** | **Director of Workforce and Organisational Development** | | x | | x | | AP | | x | | AP | | | 3/5 |
| **Lynne Carter** | **Chief Nurse and Chief Operating Officer** | | x | | AP | | x | | AP | | AP | | | 2/5 |
| **Dr David Valentine** | **Medical Director (left Trust 13 June 2019)** | | AP | | | | | | | | | | | 0/1 |
| **Prof Simon Constable** | **Medical Director July – October 2019** | | | | x | | AP | | | | | | | 1/2 |
| **Dr Alex Crowe** | **Medical Director 1 November 2019** | | | | | | | | AP | | AP | | | 0/2 |

| **KEY**<br>AP – apologies<br>A – absent without apologies<br>*extraordinary session | | April | May | June | July | August | Sept | October | Nov | Dec | Jan | Feb* | March | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Council of Governors** | | | | | | | | | | | | | | |
| **Andrew Gibson** | **Chair (left the Trust on 19 July 2019)** | x | | x | | | | | | | | | | 2/2 |
| **Dorothy Whitaker** | **Non – Executive Director** | AP | | x | | AP | | x | | x | | x | x | 5/7 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Karen Bliss** | **Vice Chair to 19 July 2019**<br><br>**Interim Chair from 19 July to 23 September 2019**<br><br>**Chair from 23 September 2019** | x | | AP | | x | | x | | x | | x | x | 6/7 |
| **Steve Cash** | **Non – Executive Director** | x | | AP | | AP | | AP | | AP | | AP | AP | 1/7 |
| **Linda Chivers** | **Non – Executive Director** | AP | | AP | | AP | | X | | x | | AP | x | 3/7 |
| **Sally Yeoman** | **Non – Executive Director/Senior Independent Director** | AP | | x | | AP | | x | | x | | AP | AP | 3/7 |
| **Marian Carroll** | **Non-Executive Director (left the Trust 30 June 2019)** | AP | | AP | | | | | | | | | | 0/2 |
| **Rita Chapman (LEAD GOVERNOR)** | **Public Governor – Rest of England** | x | | x | | x | | x | | x | | x | x | 7/7 |
| **Paul Mendeika** | **Public Governor – Warrington** | x | | x | | x | | x | | x | | x | x | 7/7 |
| **Derek Maylor** | **Public Governor – Rest of England** | AP | | AP | | x | | x | | x | | x | AP | 4/7 |
| **Bill Harrison** | **Public Governor – Rest of England** | x | | x | | AP | | AP | | x | | x | x | 5/7 |
| **Diane McCormick** | **Public Governor - Halton** | x | | x | | x | | x | | x | | x | x | 7/7 |
| **Corina Casey Hardman** | **Staff Governor – Nursing and Midwifery** | AP | | x | | x | | x | | AP | | x | AP | 4/7 |
| **Dave Smith** | **Staff Governor – Non-Clinical Support** | x | | AP | | x | | AP | | x | | x | x | 5/7 |
| **Janette Grey** | **Partner Governor – Higher Education** | x | | x | | x | | x | | x | | x | AP | 6/7 |
| **Cllr Judith Guthrie** | **Partner Governor – Warrington (tenure ended 13/10/2019)** | A | | A | | A | | | | | | | | 0/3 |
| **Dr Deb Mandal** | **Staff Governor – Medical** | x | | x | | | | | | | | | | |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Geoff Zygadlo** | **Partner Governor – Halton** | x | | | | | | | | | | | | |
| **Matt Machin** | **Public Governor - Warrington** | | | | | AP | | x | | AP | | x | x | 3/5 |
| **Peter Hollett** | **Public Governor – Halton** | | | | | x | | x | | x | | x | x | 5/5 |
| **Christine Stankus** | **Public Governor – Rest of England** | | | | | AP | | x | | x | | x | x | 4/5 |
| **George Scott Baron * Died October 2019** | **Public Governor – Warrington** | | | | | A | | A | | A | | A | A | 0/5 |
| **Marlene Quinn** | **Partner Governor – St Helens/Rest of England (tenure ended 13/10/19)** | A | | A | | A | | | | | | | | 0/3 |
| **John Hyland** | **Public Governor - Warrington** | | | | | x | | x | | A | | x | x | 4/5 |
| **Pam Rhys-Davies *left the Trust on 31 March 2020** | **Staff Governor, Clinical** | | | | | x | | AP | | x | | AP | AP | 2/5 |
| **Alison Cullen** | **Partner Governor – voluntary sector** | A | | A | | AP | | A | | A | | A | A | 0/7 |

NHS

# Bridgewater Community Healthcare

NHS Foundation Trust


Bridgewater Community Healthcare
NHS Foundation Trust
Europa Point
Europa Boulevard
Warrington
Cheshire
WA5 7TY

0844 264 3614

enquiries@bridgewater.nhs.uk

www.bridgewater.nhs.uk

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