NHS
East Cheshire
NHS Trust

ANNUAL REPORT
2019/20

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Welcome

Throughout the year 2019/20 we have delivered outstanding achievements, in spite of this being one of the most exceptional times the NHS has lived through during its 70 year history. At the very heart of this is delivering safe, person-centred care for our patients.

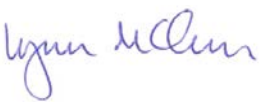
First, we would like to pay tribute to the whole trust-wide team, who have worked tirelessly together to make significant changes at pace and have done so with enthusiasm, dedication, compassion and care through testing times and continued to deliver the best of safe care, in particular in the face of the worldwide coronavirus pandemic, COVID 19.

The speed of adaptation to create capacity has been outstanding. Our people and teams have learned new skills and broadened their use of technology and digital solutions to stay connected with patients and colleagues .They have learned how to deal with new equipment, including the use of personal protection equipment. People have flexed their working hours, adapted to a new working environment and often contributed through different teams, to offer consistency of safe care 24/7 in the face of intense demand, be that in hospital, in the community, or supporting patients in their own homes.

This year we acknowledge many outstanding achievements, including:

- Being rated 'Good' by the Care Quality Commission.
- Becoming the first hospital in the country to have patient wards to be awarded Autism Accreditation by the National Autistic Society, including A&E, Outpatients, the Children's Ward, Pre-operative Assessments, Day Case, Surgical Theatres, Dental and Customer Care.
- Celebrating the appointment of the trust's first Director of Workforce Diversity and Inclusion
- Our Customer Care Team receiving a visit from the Parliamentary and Health Service Ombudsman, expressing interest in our complaints handling approach, in particular our 'outreach' service. In a subsequent letter sent to the trust, this was recognised as an exemplar service for patients.
- Our patient-led and risk-aware culture is increasingly positive as demonstrated by this year's staff survey
- Being awarded two compassion awards, for outstanding care.
- One of our paediatric nurses being named Research Nurse of the Year 2019 at the Greater Manchester Clinical Research Awards.
- Being awarded the highest accolade from Fair Train, the UK's work experience quality standard, in recognition of the positive work experience placements across the trust.
- The development of our People Plan, at the heart of our strategy which was determined with significant engagement.
- The launch of the trust's appeal to raise funds for a patient minibus to aid patient transport repatriating patients home once clinically fit to do so, led by the official charity of the trust, ECHO.
- Improvements in harm-free care, financial performance and environmental sustainability, coupled with estates improvements for a better patient experience and working environment.
- Great collaborative partnership working that has and continues to deliver great care for the population of Cheshire East, as determined by the council footprint.

We commend you for your dedication, commitment and outstanding team work, thank you.



Lynn McGill
Chairman

John Wilbraham
Chief Executive

“Staff work hard to deliver good care. Theatre staff particularly good at reassuring you.”

Ward 10

Performance report

A statement from the Chief Executive on organisational performance

The 2019/20 financial year ended in a way that no one could have forecast at the outset. The COVID-19 pandemic swept the country in the final quarter of the financial year having an immediate impact on health care with repercussions that will change the way healthcare is provided in the coming years.

Staff at East Cheshire NHS Trust, like so many other NHS organisations, responded magnificently to the challenge both in hospital, in the community and the support services. Wards were re-designated, ICU facilities expanded and changes made to operating procedures within days to ensure patient safety. Staff updated skills and were redeployed to areas they did not normally work in – all for the good of our patients.

Over the years as Chief Executive I have always recognised the professionalism and dedication of our staff. This time however these attributes were delivered against a level of personal anxiety given the unknown nature of the virus and the very real risk to themselves..

While the pandemic was a major event this should not undermine the work done within the trust prior to the outbreak.

During the year the trust was inspected by the Care Quality Commission and retained its overall rating of Good. This assures our patients that the service they can expect in and out of hospital will be delivered to high standards. In addition, waiting times across many areas improved as the year developed although not all national standards were achieved, most notably the four hour standard for discharge, admission or transfer from the Emergency Department. From a financial perspective the trust achieved its financial plan and was in receipt of additional financial recovery funding which allowed it to post a small surplus of £50k, the first time a surplus has been delivered in a number of years.

Our staff took part in the national staff survey and it is pleasing that there is good staff engagement in the trust with lots of staff reporting this is a good organisation to work for and to be treated in.

Finally the development of sustainable local services continues to be discussed with regulators and partner organisations. In line with strategy during the year a number of small services were transferred to partner foundation trusts to provide more reliable services with patients receiving the more robust services but still provided locally.

I continue to feel privileged to be the Chief Executive of East Cheshire NHS trust.

John Wilbraham
Chief Executive

About the trust

Our mission is to provide high-quality, integrated services delivered by highly-motivated staff. We provide safe, effective and personal care to our patients. As a community and acute trust serving a large population of over 250,000 our vision is to deliver the best care in the right place. We have over 2,500 staff who work across our community settings and our three hospital sites. The hospital locations can be found on our website: www.eastcheshire.nhs.uk

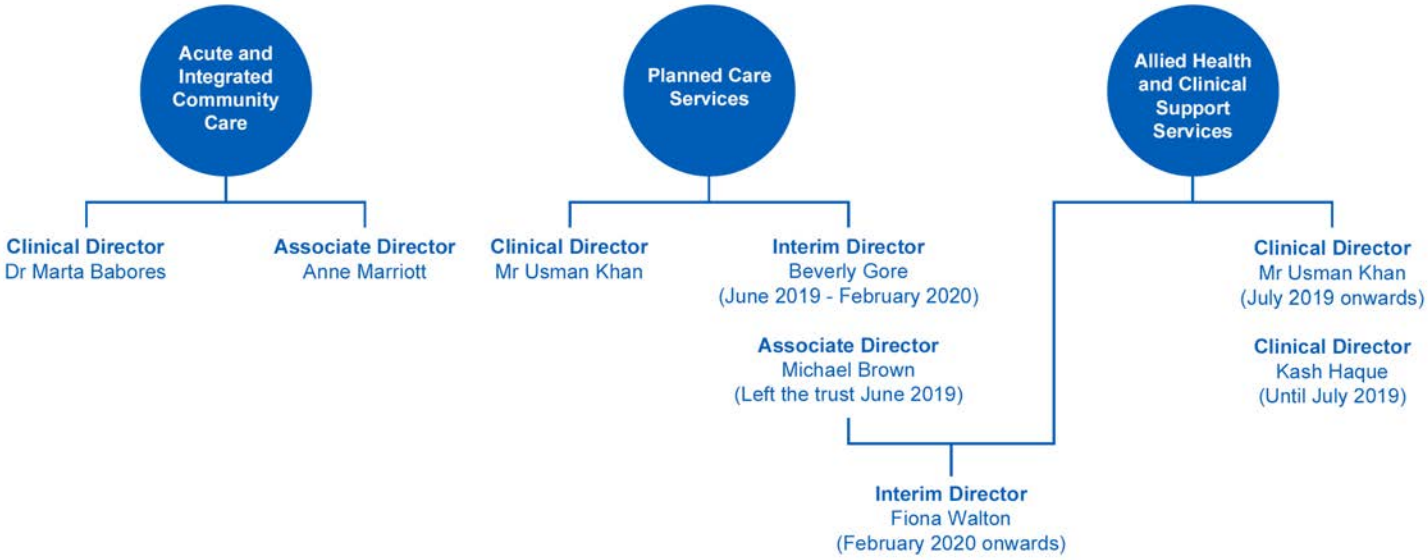
The trust's estate consists of three hospitals providing inpatient services at Macclesfield and Congleton and outpatient services at Knutsford. Further outpatient and community services are delivered from other sites in the region.

Our community health services are delivered from locations including Knutsford and Congleton hospitals, clinics, GP premises and patients' own homes. They include child health, district nursing, intermediate care, occupational health and physiotherapy, community dental services, speech and language therapy and palliative care.

Acute services provided at Macclesfield District General Hospital include A&E emergency care and emergency surgery, elective surgery in many specialities, maternity and cancer services.

We also provide a number of hospital services in partnership with other local trusts and private providers, including pathology, urology, cancer services and renal dialysis services. For more information about the trust visit our website at www.eastcheshire.nhs.uk

Clinical directorate structure



DID YOU KNOW IN 2019/20:

We treated **16,712** patients who were planned admissions

We treated **50,094** people through our Emergency Department

We made **241,970** community visits

Our service was delivered by circa **2,500** emplyees and **250** volunteers

We saw **167,850** outpatient attendees

1,507 babies were born at our hospital and we helped **26** babies be born at home

We dealt with **18,215*** non-elective admissions

Our income was **£176 million**

*please note this figure includes well babies and deliveries.

System leadership

The trust falls under the system-wide leadership of the Health and Care Partnership of Cheshire and Merseyside - a collection of organisations responsible for providing health and care services in Cheshire and Merseyside – the NHS, GPs, local councils and the community and voluntary sector – coming together to plan how best to deliver these services in future so that they meet the needs of local people, are high quality and are affordable.

Within the overall Partnership there are nine smaller areas of collaboration and the trust is part of East Cheshire Partnership, which covers the same geographic footprint as Cheshire East Council.

The Cheshire East Partnership consists of NHS Cheshire Clinical Commissioning Group, East Cheshire NHS Trust, Cheshire and Wirral Partnership NHS Foundation Trust, Cheshire East Council, local GP federations, Mid Cheshire Hospitals NHS Foundation Trust. It provides a way of joint working and enables us to use our combined knowledge, experience and expertise to assess local needs and get the best from our combined staff.

The Partnership's vision is to improve the health and wellbeing of local communities, enabling people to live longer and healthier lives. We will do this by creating and delivering safe, integrated and sustainable services that meet people's needs by the best use of all the assets and resources we have available to us.

Wellbeing comes from everyone taking ownership of what they can do for themselves and their community, with support available and focussed when and where it's needed.

During 2019/20 the trust and its partners within Cheshire East Partnership continued to examine what the potential options are for the future sustainability of our services. Organisations within the partnership co-authored the Cheshire East Partnership Five Year Plan – an outline of how the NHS Long Term Plan might be implemented locally. The plan was finalised after taking into account feedback from extensive engagement activity in July and August which comprised of face-to-face listening events in community locations, a workshop attended by 15 Healthwatch volunteers and an online survey that attracted 272 responses. For more information, read Healthwatch's report on the public engagement which can be found on their website: www.healthwatchcheshireeast.org.uk

Statutory basis

The trust was established under the National Health Service Act 1977. In line with the legislation governing the NHS in England, East Cheshire National Health Service Trust was established as a trust in November 1992 in line with the National Health Service and Community Care Act 1990 (Statutory Instrument No 1992 No 2461).

Statutory basis now includes the Health and Social Care Act 2012 and the NHS Constitution. A copy of this document can be found on www.legislation.gov.uk

Performance report

The performance report which follows is one part of the trust's Annual Report and Accounts. This report contains the full financial accounts for year ending 31st March 2020. A full copy of this report can be downloaded from the trust's website: www.eastcheshire.nhs.uk. Copies of this report in large print, braille and other languages must be requested via 01625 661184 or by emailing ecntstaff.comms@nhs.net

The auditor's report on the accounts can be found on page 143 of this document. Value for money (VFM): The overall VFM conclusion can also be found at page 148 of this document. The remuneration report can be found on page 69 and sets out the directors' remuneration as required. The report has been approved by the Board.

Performance summary against key performance indicators (KPIs)

All of our performance activities can be found in full within the monthly trust board reports found at www.eastcheshire.nhs.uk

The trust's annual performance against national standards can be seen overleaf and other performance standards for quality of care can be found in the trust's Quality Account found also on the trust website: www.eastcheshire.nhs.uk

Metric	Target	19/20
Mortality		
Risk Adjusted Mortality Index 2018 - Rolling 12 months - Latest Peer (Jan 18 - Dec 18 : 85.19)	< Latest peer (87.95)	84
Summary Hospital Mortality Indicator (HSCIC) - Latest Figure (Jan 18 - Dec 18)	Within expected range	Within expected range 1.13
Infection		
Ecoli - hospital - 19/20 Total	< 25	21
Hospital MRSA bacteraemia - 19/20 Total	0	2
Hospital Acquired Clostridium Difficile - 19/20 Total	<=27	3
Incidence of newly-acquired cat 3 and 4 pressure ulcers - hospital 19/20 Total	20% reduction in Cat 2, 3 and 4	1
Incidence of newly-acquired cat 3 and 4 pressure ulcers - out of hospital 19/20 Total	20% reduction in Cat 2, 3 and 4	3
Incidents		
Medication errors causing serious harm - 19/20 Total	0	0
Never Events - 19/20 Total	0	5
Patient Safety: Falls resulting in patient harm per 1000 Occupied bed days - 19/20 whole year Rate	<1.8	1.8
Complaints		
No. complaints with HSO Recommendations - 19/20 Total	0	0
Number of complaints - 19/20 Total	<=140	132
Experience		
Ward Family and Friends Test % response - 19/20 Total	>85%	94.00%
ED Family and Friends Test % response - 19/20 Total	>85%	84.40%
Mixed Sex Accommodation breaches - 19/20 Total	0	399
Access		
18 week - Incomplete Patients - March 19 Figure	>=81.5%	81.41%
Diagnostic 6 week Wait - 19/20 Total	>=99.0%	96.33%
ED: Maximum waiting time of 4 hours - 19/20 Total	>=78.5%	75.61%
ED: The recording of a completed handover, (HAS) - 19/20 Total	>=85.0%	81.50%
Cancer		
2 Weeks maximum wait from urgent referral for suspected cancer -	>=93.0%	86.00%
2 Weeks maximum wait from referral for breast symptoms - 19/20 Total	>=93.0%	70.90%
31 days maximum from decision to treat to subsequent treatment - Surgery	>=98.9%	99.20%
31 day wait from cancer diagnosis to treatment - 19/20 Total	100.00%	94.70%
62 day maximum wait from urgent referral to treatment of all cancers -	>=85.2%	73.10%
62 days maximum from screening referral to treatment	>=86.7%	91.70%
DTOC		
Delayed transfers of care - Acute and non-acute combined	3.30%	5.70%
Staff		
Core Staff in Post (FTE) - March 19 Figure		2075
Sickness Absence - Rolling year	<4.9%	5.12%
Statutory and Mandatory Training - Rolling 3 year period (Apr 17 - Mar 20)	>=90%	94.75%
Corporate Induction attendance - Rolling year - 19/20 Total	>=90%	96.50%
Appraisals and Personal Development Plans - Rolling year - 19/20 Total	>=90%	94.50%
Information Governance training - 19/20 Total	>=95%	97.00%
Safeguarding - Level 1 Compliance - March 19 Figure	>=90%	94.75%
Safeguarding Children - Level 2 - March 19 Figure	>=90%	86.91%
Safeguarding Adults - Level 2 - March 19 Figure	>=90%	87.69%
Safeguarding Children - Level 3 - March 19 Figure	>=90%	89.87%
Finance		
Total Pay Expenditure (£000) - 19/20 Total	<=£110,784K	£110,639
Bank Staff Expenditure (£000) - 19/20 Total	<=£7,417K	£7,691
Agency Staff Expenditure (£000) - 19/20 Total	<=£7,270K	£6,578
Cash (£000's) - March 19 Figure	£2,000K	£11,382K
2019/20 EBITDA (£000)	(£262K)	(£524K)
2019/20 Deficit	(£5,061K)	(£4,560K)

East Cheshire Care Communities

The five East Cheshire Care Communities have continued to thrive during the past 12 months, developing and delivering new services to reflect the population's need. Each Care Community, BDP (Bollington, Disley and Poynton), CHAW (Chelford, Handforth, Alderley Edge and Wilmslow), CHOC (Congleton and Holmes Chapel), Knutsford and Macclesfield have been supported by a clinical lead and a coach and aim to support residents to live well and stay well.

The year has seen closer working relationships across health and social care and voluntary agencies with an expansion of organisations that are actively involved with the care communities. The groups have continued to look carefully at their population's health needs and have developed initiatives accordingly such as ageing well clinics, catheter clinics, support for care homes, promotion of social prescribing together with identifying connecting community sites available for community use. This has led to more cross-working which has been supported by further initiatives such as multi-professional education sessions.

The East Cheshire Care Communities are joining forces with Care Communities across Cheshire to include; Crewe, Nantwich and Rural and SMASH (Sandbach, Middlewich, Alsager, Scholar Green and Haslington). Together they are taking a whole system focus and population health approach and have identified the following priorities: cardiovascular health, mental health and wellbeing (social prescribing), children's health and wellbeing and respiratory health. Initiatives have begun on these areas and will be taken forward into the next year.

The East Cheshire Care Communities are proud of the way they have developed and look forward to working with communities across Cheshire on the agreed priorities next year.

Healthwatch Cheshire East, part of Healthwatch Cheshire, is an independent voice for the people of Cheshire East to help shape and improve local health and social care services.

A&E Watch

A&E Watch is undertaken by Healthwatch to gain a snapshot view of the emergency department. Representatives gather feedback in relation to the experiences of patients to understand why they attended and how services could be improved.

Areas of good practice highlighted from the 2019 A&E Watch included:

- Patients were spoken to in a polite manner and dealt with kindly and professionally
- The majority of people went through the streaming/triage process very quickly, within 15 minutes
- Autism awareness - good use of posters and named designated staff to support people on the autistic spectrum
- Frailty team operate within the department to assess patients and offer physio and other support whilst still in hospital.

Following the visit improvements including the following have been made:

- Volunteers in the department who approach relatives and patients (where appropriate) to offer drinks
- Additional seating at reception window
- Improved signage when entering the department – from both outside and internally from the main hospital corridor
- Process for ensuring the streaming nurse in the emergency department is aware when the out-of-hours GP is available for appointments
- Self-care and health information promoted via TV information screens
- Ticketing system for streaming nurse.

A&E Watch 2020 took place on 13th January 2020 and the trust looks forward to receiving the report from Healthwatch.

Healthwatch have also been involved in the following over the past year:

- Regular engagement visits at Macclesfield, Congleton and Knutsford Hospitals to enable patients and carers to give their views on trust services
- Engagement work to gather local views on Cheshire East Partnership's response to the national NHS Long Term Plan
- Commenting on the trust's Quality Account
- The trust's annual presentation on the Equality Delivery System.


NHS
East Cheshire
NHS Trust
Our 2019 CQC rating is
Good
4th October 2019
Regulated by
Care Quality Commission

Care Quality Commission (CQC)

A proportion of the income received by East Cheshire NHS Trust in 2019/20 was conditional on achieving quality improvements and innovation goals agreed between the trust and its commissioners.

The goals agreed can be found through the trust's website at www.eastcheshire.nhs.uk

East Cheshire NHS Trust has reviewed all of the data on the quality of care in 2019/20 and the reports, achievements and improvements planned can be seen throughout this report.

Registration under the Health and Social Care Act 2008 (Regulated Activity) Regulations 2009 and the Care Quality Commission (Registration) Regulations 2009.

All NHS healthcare providers are required by law to register with the Care Quality Commission (CQC) and declare compliance against 28 regulations. Of these, 16 regulations relate to quality and safety of care received by patients.

Following inspection, any areas of non-compliance are responded to with an action plan, which is reviewed and monitored by the CQC. Registration can be issued with 'no condition' or 'with conditions'. The trust was not involved in a CQC special review during the year.

East Cheshire NHS Trust was once again rated 'Good' by the Care Quality Commission (CQC) with areas of 'Outstanding' practice following inspections in June and July 2019.

Among the inspectors' findings, they identified multiple areas of outstanding practice in the following areas:

- Critical Care
- End-of-life care
- The Outpatients Department
- Community services for children, young people and families

This rating shows our patients can be assured that they are receiving high-quality care delivered by professional and caring staff. It is a testament to the 2,500 hard-working and caring staff who make our organisation what it is.

The report also highlighted opportunities for improvement. We will continue to work to improve what we do for our patients.

Please see our full report at www.cqc.org.uk


NIHR

Freedom of information

The Freedom of Information Act (FOI) provides the public with a general right of access to recorded information held by East Cheshire NHS Trust, subject to certain conditions and exemptions.

We are committed to the disclosure of Freedom of Information Act requests in line with our open and honest approach to public information, and also in line with our corporate social responsibility. Key information routinely published on our website, within the Publication Scheme, includes Trust Board agendas and minutes, and the trust's Annual Report and Accounts.

During 2019/2020, the trust received 464 requests relating to a wide variety of issues such as agency staffing, car parking arrangements, workplace bullying, spider bites and pressure ulcers. During the year 92.5% of all FOI requests were completed in the standard timeframe of 20 working days. A full list of all Freedom of Information Act responses can be found in our Disclosure Log on the trust's website: www.eastcheshire.nhs.uk

Sources of funding

Information relating to funding sources can be found within the financial statements on page 91 of this report.

Key issues and risks

Please refer to the Annual Governance Statement 2019/20 on page 55 of this document.

Adoption of going concern

The trust prepares its accounts as a going concern. Full information can be found within the financial statements on page 91 of this report.

Engagement through digital and social media

This year the trust continued to use digital and social media channels to engage the public, patients and stakeholders. We have:

- Reached 6,393 followers on our main Twitter account @EastCheshireNHS – an increase of over 500 followers year-on-year.
- Continued to develop our trust's charity social media presence especially with our recently launched Facebook page where some months. we have reached over 1,000 post engagements. Meanwhile we now have over 500 followers on charity's Twitter account.
- Created various creative social media campaigns to assist with our internal communications eg our 'pass the bug' campaign around staff getting the flu jab and our Pride month selfie frame.
- Added further patient information and self-help videos to the trust's YouTube channel, which now has over 1,000 subscribers - a year-on-year increase of around 300.

Achievements - year at a glance

The trust celebrated some great achievements during 2019/20, these have included:

April

Following the success of the #HelpingFlo campaign the trust ran “Flo’s Cracking Easter”- a ten day period used to pilot various initiatives to rapidly improve patient flow, avoiding outlying beds and a crowded ED.

May

MDGH became the first hospital in the country to have key wards, including ED, awarded Autism Accreditation by the National Autistic Society. Read more about this on page 23 of this report.

June

For this year’s Pride Month East Cheshire NHS Trust’s Communication and Engagement Team encouraged trust staff to pledge their support for Pride by using our joint trust and Pride themed selfie frame.

July

We were awarded the highest accolade from Fair Train, the UK’s work experience experts. The Gold Work Experience Quality Standard was given in recognition of the excellent work our Vocational Team do to arrange work experience placements across the trust.

August

The trust’s Chief Pharmacist Kash Haque took on the role of Director of Workforce Diversity and Inclusion. The purpose of the role is to engage with our staff on the subject of diversity and inclusion and look for areas where further improvements can be made.

September

Members of staff from a range of departments got together to celebrate 40 years to the day since our Director of Nursing and Quality, Kath Senior, began her student nurse training in Macclesfield.

October

The trust was again rated ‘Good’ by the Care Quality Commission (CQC) with areas of ‘Outstanding’ practice following recent inspections of the trust’s services and leadership.

November

Paediatric research nurse Natalie Keenan was named the Research Nurse of the Year at the 2019 Greater Manchester Clinical Research Awards.

December

We celebrated 25 years of our Disability Equality Group and its achievements over these years including achieving Disability Confident Leader status for the trust.

January

Three members of ECT staff completed a Chartered Manager Degree. Vicky Bond, Michelle Gillespie and Jill Marshall received their certificates from Manchester Metropolitan University following a two-year apprenticeship programme covering a variety of leadership and management topics.

February

Guides and Brownies from the Cheshire region donated 1000 ‘comfort bags’ for patients of East Cheshire NHS Trust and East Cheshire Hospice. These hand-made comfort bags contained essential toiletries, grooming products, stationary and ‘get well’ messages from the Brownies and Guides.

March

One of the trust’s IBD specialist nurses, Samantha Kari, was nominated for Colleague of the Month after she performed CPR and saved a colleague’s life when they became suddenly unwell in her office.

A successful year for ECHO - the trust's official charity

We remain grateful for the generous contributions made by our donors who support ECHO - the official charity of East Cheshire NHS Trust. Fundraising initiatives this year included:

April

Macclesfield health worker Angela Thomas raised over £1,000 for the Emergency Department (ED) when she swam the equivalent of the English Channel in her local swimming pool.

May

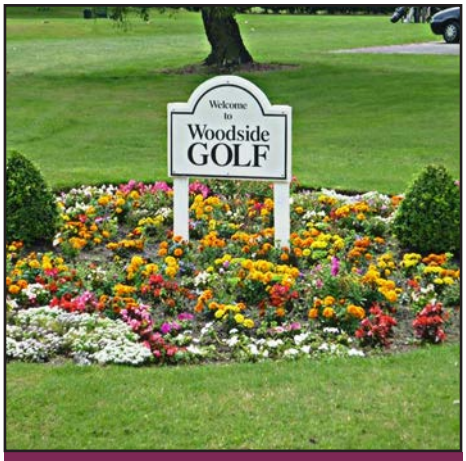
The Cardiac Rehab Team, along with past and present patients, took part in the 28th annual sponsored walk. This year's walk raised over £3,890 for the trust's charity.

June

A local family were so grateful for the care they received from the trust's Maternity Department, they organised a fundraising sheepdog trials event which raised an incredible £1,200 for ECHO.

July

A local man Gary Henshaw hosted a quiz night, with all proceeds going to ECHO, to say thank you for the care he recently received in ED following a sporting injury.



August

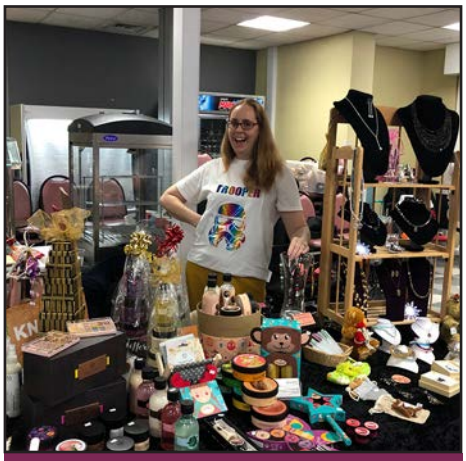
The Woodside Golf Club, Cranage, Cheshire, pledged their support by hosting a dedicated golf day which included a raffle with funds raised going to ECHO.

September

A six year old girl completed a 'Lidl Mudder', the children's version of the Tough Mudder endurance challenge, by running a mile obstacle course. She asked for all the money raised to buy baby blankets for babies in our Neonatal Unit following a personal experience in which her sister was cared for in the unit.

October

The charity's annual Halloween cake sale raised over £250 for ECHO through donations from both staff and patients. This year also featured a bake-off which was won by Abigail Sherratt.



November

This month saw another successful Christmas Market at Macclesfield Hospital, which raised £600 for ECHO and was supported by various local businesses and stall holders.

December

Various teams across the trust got into the Christmas spirit this year by hosting an array of fundraisers including a bake-off, a Christmas Jumper Day and a 'guess how many sweets in the jar' competition.

January

ECHO launched it's minibus appeal aiming to raise £45,000 for a new patient transport vehicle. This vehicle is needed to take patients home when they no longer require hospital care and are fit and ready to go home.

February

Despite the threat of bad weather, ECHO's annual pancake race raised in excess of £500. The event brought a great turnout from local companies was bolstered by the addition of five new teams this year, as well the race's first ever sponsor - Bristol Street Motors.

March

Hundreds of books were kindly donated and then sold onto staff, patients and visitors for a small donation to mark this year's World Book Day. Over £200 was raised, which included donations for cakes made or bought by the Communications Team.

For more information on ECHO, please visit our website www.echonhscharity.org or follow us on social media channels @echonhscharity

NHSE/NHSI learning disability benchmarking

This year the trust took part in the NHSE/NHSI benchmarking exercise in relation to learning disabilities and autism for the second year running. The exercise has been designed to fully understand the extent of the trust's compliance with the NHSE/NHSI Learning Disability Improvement Standards and identify improvement opportunities. All NHS trusts in England are required to take part. The exercise comprises of three elements:

- Overall trust data collection
- Staff survey
- Patient survey

One of the key differences to the 2019 submission is that the data also refers to children and young people as opposed to just adults in the 2018 submission.

Following the 2018 submission the trust now submits monthly data to trust board in relation to the number of patients with a learning disability on the Referral to Treatment (RTT) waiting list.

The results for this survey were due to be released during the period of the COVID-19 pandemic. Following its participation in the survey the trust is awaiting its results which will be available on the trust website when they are released: www.eastcheshire.nhs.uk

Accessible Information Standard 2016 (AIS)

This mandatory standard requires staff to identify, record, flag, share and meet the information and communication support needs of patients, service users, carers and parents with a disability, impairment or sensory loss. This year we have:

- Used screen savers across all trust PCs to further raise staff awareness of our general obligations under the scheme
- Displayed posters in patient-facing areas to highlight the support we can offer to service users
- Further embedded the process for alert stickers to be placed on patient notes, to improve staff awareness of patients requiring additional support.

National Autistic Society Accreditation

Macclesfield District General Hospital has become the first hospital in the country to have key wards, including the Emergency Department (ED), awarded Autism Accreditation by the National Autistic Society.

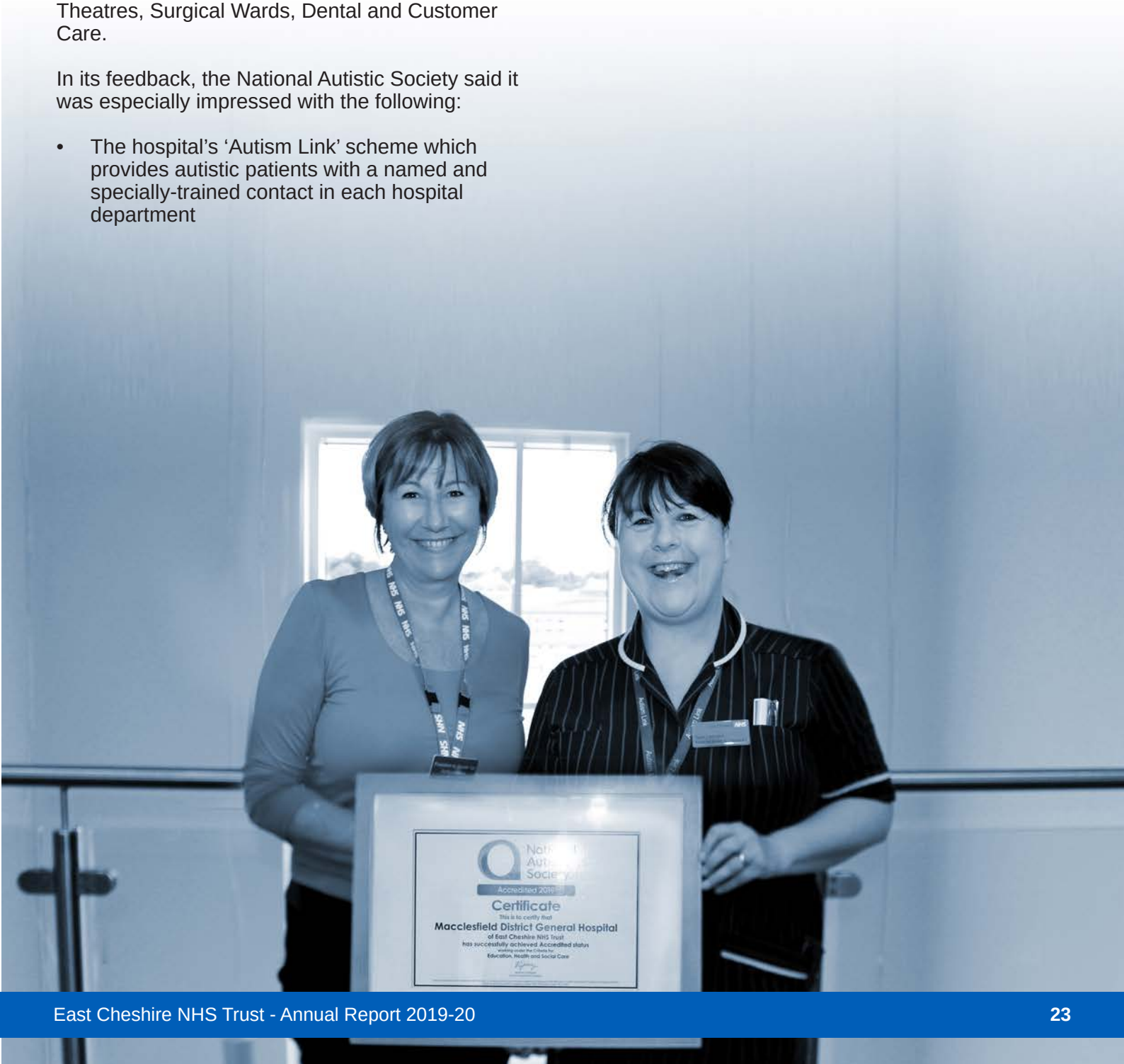
The prestigious status is awarded by the National Autistic Society to organisations where staff have a good working knowledge of methods and approaches which produce positive outcomes for autistic people. The accreditation, which the hospital has been working towards since 2014, follows a number of other autism-related awards for the hospital and shows that support for autistic people and their families and carers is effective and person-centred.

The accredited areas are ED, Outpatients, the Children's Ward, Pre-op Assessment, Day Case, Theatres, Surgical Wards, Dental and Customer Care.

In its feedback, the National Autistic Society said it was especially impressed with the following:

- The hospital's 'Autism Link' scheme which provides autistic patients with a named and specially-trained contact in each hospital department
- The embedding of 'reasonable adjustments' – alterations to create better experiences for autistic patients – into working practice, and the clear systems and processes in place that ensure hospital staff can help autistic patients have smooth transitions
- Evidence of patient satisfaction, collected from hospital departments, indicating autistic patients are very happy with the services and support provided.

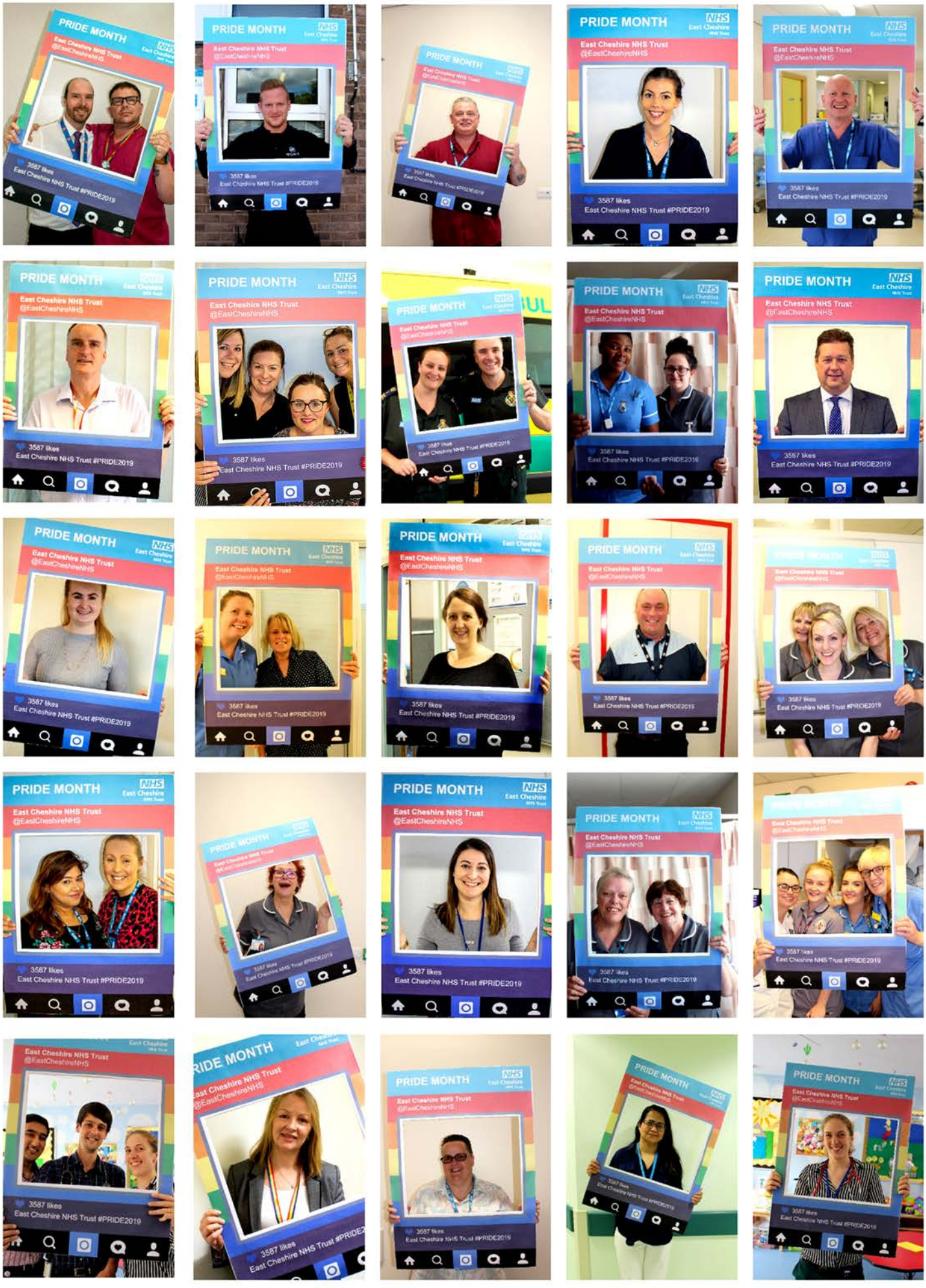
Assessors from the National Autistic Society also praised the information available to autistic patients on the trust's website, commented positively on how patient stories are used to inform practice and praised the hospital for engaging with the wider autism community to inform learning and development.



Equality and human rights

The trust has continued to embed equality, diversity and inclusion as an integral part of daily business and key achievements during 2019/2020 included:

- Macclesfield District General Hospital becoming the first hospital in the country to have key wards, including ED, awarded Autism Accreditation by the National Autistic Society
- Appointment of the trust's first Director of Workforce Diversity and Inclusion, Kash Haque
- Promotion of the NHS rainbow badge scheme within the trust to show support for LGBT+ colleagues
- Appointment of a specialist ED palliative care nurse and an Admiral quality nurse to further improve care for patients with dementia
- Refurbishment of Macclesfield Hospital's Outpatients Department to include touch-screen kiosks which allow deaf patients to book in without interpreters and also offer commonly-used alternative languages
- Undertaking a range of service user disability access assessments across the trust which have contributed to changes including the addition of a wheelchair-accessible desk at the main reception desk at Macclesfield Hospital
- Ensuring ongoing compliance with the requirements of the Equality Act (2010) and the Workforce Race Equality Standard (WDES) (please note – in line with national guidance formal assessments have been delayed due to the COVID-19 pandemic)
- The planning of an interactive display celebrating equality and diversity which is set to be installed at Macclesfield Hospital.


PRIDE MONTH
East Cheshire NHS Trust
@EastCheshireNHS
3587 likes
East Cheshire NHS Trust #PRIDE2019

Patient advice and Liaison Service (PALS)

The role of PALS (Patient Advice Liaison Service) offers support and information to patients, their families and carers at the time of their concern. Patients and visitors are able to talk freely about their experience and any issues or concerns they have are dealt with as soon as possible with the appropriate staff. 17 meetings took place with clinicians and users of the service as a result of a PALS issue.

All complaints and PALS concerns are monitored by protected characterises and this year learning disabilities and mental health have also been included.

The PALS Outreach Scheme sees staff from the Patient Advice and Liaison Service proactively go out to Macclesfield Hospital's wards and departments to check patients are satisfied with their care and immediately address any concerns or queries they may have.

It is considered that PALS Outreach is having a positive effect on the reduction of the number of complaints and PALS issues the trust is receiving. There is a continued effort by staff members on the wards and departments to resolve concerns locally.

As an addition this year customer care staff also recorded whether a patient feels social isolated, in agreement with the patient a volunteer can visit them if they wish.

During PALS outreach the customer care team spoke to 1,623 patients and relatives.

Further information about customer care can be found on the trust website www.eastcheshire.nhs.uk

Customer Care

The aim of our Customer Care department is to focus on the positive aspects of our users' experiences and identify areas for improvement. Information and learning is shared across the organisation and reported to the trust board. It is also published in quarterly reports and on the trust website. In 2019/2020 the trust received 10,266 compliments, 132 formal complaints, 1,158 PALS cases and 1,623 patients/relatives were seen as part of PALS Outreach. This is a 1% decrease in formal complaints, 3% increase in PALS cases and 11% increase in PALS Outreach compared to the previous year.

The trust received in excess of 10,266 compliments last year, an 18% increase in comparison to the previous year. All compliments are shared with the staff concerned.

The trust received 132 formal complaints and of these 99% were acknowledged in the given timescales.

The trust responded to 128 complaints (the numerical difference is due to active complaints spanning across financial years) and of these 98% (126) were responded to within the agreed timeframes.

The nature of complaints received ranged from poor staff attitude/behaviour, ineffective communication, to dates for appointments and surgery, with the majority focused around clinical treatment. Action plans are developed as a result of some complaints for the department, ward, staff member concerned. Six meetings took place with clinicians and users of our service as a result of a complaint.

There were four requests for information from the Parliamentary Health Service Ombudsman (PHSO). two complaints were closed without investigation and two complaints were investigated, they were not upheld and there were no recommendations. There are currently two complaints with the PHSO under consideration.

The NHS Website

The NHS Website allows patients and members of the public to write public reviews of their experiences of our services, providing valuable feedback which helps the trust continually improve the quality of its services and act on any concerns or complaints.

Positive comments are passed on directly to the department, team or individual concerned and the trust provides people who have raised concerns with a named clinical contact to discuss those concerns. This helps raise awareness of patient feedback among clinicians and provides a swift route for appropriate concerns to be investigated and resolved.

The trust continued to increase patient awareness of NHS Website reviews via social media and a section on the trust's website signposting people to post their reviews.

Sustainability report

The Combined Heat and Power (CHP) plant and associated energy saving schemes installed under the Carbon Energy Fund (CEF) scheme continue to operate at high-levels of efficiency, delivering the savings target for 2019/20 and enabling the trust to achieve cost and carbon savings. Year five of the CEF scheme (ending December 2019) generated annual savings of £372,076, overachieving the performance target set by 4%.

The year-on-year success of the CEF scheme has resulted in ECT achieving the 34% reduction in carbon emissions against 1990 emission levels, set by the Government NHS Carbon Reduction Strategy 'Saving Carbon Improving Health', which aims to deliver an NHS carbon reduction target of 80% by 2050. ECT continues to seek opportunities with other public sector organisations and low carbon bodies to identify innovation in order to deliver the 2050 target.

During the 2019/20 financial year the trust consumed from external suppliers 2,413,522kWh of electricity, 17,010,137kWh of gas and 65,047m^3 of water with annual expenditure for utilities of £1,601,593 inclusive of CEF Scheme payments and the increased invoice levies as a result of the abolishment of CRC. ECT energy consumption produced 4,629tCO2e; this is a slight decrease from 2018/19 as a direct result of the decrease in consumption. 2019 saw the final year of the Government Carbon Reduction Commitment (CRC) energy efficiency scheme, as a result of a strategic purchasing plan in earlier years of the scheme, ECT has a surplus of credits which have been issued in the resale market.

The strategic purchasing of credits also resulted in the final two years (2018/19 and 2019/20) that ECT had accumulated sufficient credits to not require further purchases of credits for the remainder of the CRC scheme. Streamlined Energy and Carbon Reporting Framework (SECR) replaced CRC on 1st April 2019, instead of purchasing credits SECR is a levy applied directly to invoices.

Energy and environmental efficiency measures continue to be delivered across the trust with small-scale measures implemented, where possible, during plant upgrades and equipment replacement schemes. Options for larger energy saving schemes are being considered with regular engagement with local and national policy and funding initiatives.

ECT continues to seek and build on opportunities to work with other public sector organisations to ensure that the local health economy is sustainable and meets our population's health needs now and in the future. ECT is taking a key role with the Collaboration at Scale (CAS) work underway across Cheshire and Merseyside. As part of this, ECT has explored energy procurement options, for 2020/21 ECT will remain with CCS whilst pursuing options with other framework suppliers established to date. As part of the sustainable healthcare network, ECT will explore opportunities to share premises, facilities and services where benefits and cost savings can be identified and realised for all parties involved.

The Energy, Carbon and Environmental Policy will be replaced by a Sustainable Development Management Plan (SDMP) later in 2020. SDMPs encompass sustainability throughout an organisation and will address ECT's direct and indirect carbon emissions. Through developing a culture which promotes sustainable actions and embeds sustainability in day-to-day activities the link between healthcare and sustainability will become intrinsic. To be successful, the SDMP will require trust-wide participation, key areas will include: estates and facilities, procurement, clinical technology and clinicians/front line staff. Implementation of an awareness and behaviour change campaign is crucial in embedding the principles of sustainability and creating the culture shift to sustainability.

“The nurses are always kind, helpful and considerate. They get on with their job as soon as they’ve washed their hands. Thanks, we couldn’t do without them.”

District Nurses

Accountability Report

Director's report

The Trust Board is responsible for the leadership, management and governance of the organisation and setting the strategic direction. It also has a role in ensuring high standards are maintained.

All of the trust's non-executive directors, including the Chairman, are appointed by NHS Improvement (NHSI) for a fixed term, following open invitations among members of the local community.

The NHS and trust recruitment guidance and policies are followed in these appointments, including open competition and the involvement of an independent external assessor. The Chief Executive is appointed by the Chairman and non-executive directors. The executive directors are recruited by a panel usually led by the Chairman and the Chief Executive.

The NHS Very Senior Manager Pay Framework has been adopted by the Remuneration Committee as guidance regarding pay for the executive team. Full details can be found in the Remuneration Report on page 69 of this report.

Signed:

John Wilbraham
Chief Executive
Date: 22nd June 2020

Management arrangements

The trust board comprises 11 voting members and two non-voting members. There are six non-executive directors (including the Chairman) and five voting executive directors.

Directors' approvals

In the case of each of the directors, at the time of the report, there is no relevant audit information of which East Cheshire NHS Trust auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the entity's auditor is aware of that information.

Board diversity

The trust's board members are broadly representative of the population served by East Cheshire NHS Trust.

Update to the Board during 2019/20

There have been four changes to the Board membership this financial year; Tim Shercliff joined the trust in August 2019 as a non-executive director and Andrew Smith joined the trust in January 2020 as a non-executive director. Over the year two of the trust's non-executive directors left the trust, Ali Harrison in August 2019 and Dr Anthony Coombs in November 2019. The trust would like to put on record our thanks to them both for their contribution to the trust during their time served.

Full details can be found in the 'About us' section of our website: www.eastcheshire.nhs.uk A committee structure summary can be found on page 44.

Conflicts of interest

East Cheshire NHS Trust collaborates closely with other organisations delivering high quality care for our patients. These partnerships have many benefits and should help ensure that public money is spent efficiently and wisely; but there is a risk that conflicts may arise. The trust's Conflict of Interest Policy identifies 11 different categories that we ask staff to make a declaration in should one arise; this includes outside employment, gifts and hospitality and clinical private practice to name a few. In addition to this, all staff members on agenda for change at band 8C or above (or equivalent pro-rata) are required to make an annual 'nil' declaration if they have not declared anything previously.

All information is made available to the general public via the electronic system which can be found at eastcheshire.mydeclarations.co.uk

Board effectiveness

All executives and non-executive directors have annual appraisals and performance development plans identified. They also undertake a self-assessment in line with fit and proper persons requirement (FPPR) and in line with NHS Improvement quality governance framework. No issues or concerns have been raised. The board has regular structured development sessions as set out in the Annual Governance Statement on page 55 of this report to feedback and responding to concerns.

Board Performance

Board member	Appraised
Lynn McGill, Chairman	Yes
Ian Goalen, Non-Executive Director	Yes
Dr Anthony Coombs, Non-Executive Director	Yes
Mike Wildig, Non-Executive Director	Yes
Ali Harrison, Non-Executive Director	Yes
Dr Peter Madden, Non-Executive Director	Yes
Tim Shercliff, Non-Executive Director	Yes
Andrew Smith, Non- Executive Director	Yes
John Wilbraham, Chief Executive	Yes
Kath Senior, Deputy CEO and Director of Nursing and Quality	Yes
Dr John Hunter, Medical Director	Yes
Rachael Charlton, Director of Human Resources & Organisational Development	Yes
Julie Green, Director of Corporate Affairs & Governance	Yes
Jayne Wood, Chief Operating Officer	Yes
Mark Ogden, Director of Finance	Yes

Executive directors

John Wilbraham
Chief Executive

John joined the NHS in 1984 as a graduate trainee and is a qualified accountant. He joined ECT in 2002 as the Finance Director taking the role of Chief Executive in 2003 and is one of the longest serving CEOs in the NHS with 17 years in the CEO role.

Chair: Clinical Management Board, Executive Management Team Meeting and Local Negotiating Committee (LNC), A&E Delivery Board

Member: Trust Board, Finance, Performance & Workforce Committee, Safety, Quality & Standards Committee, Partnership Forum, Pathology Executive, Cheshire East Partnership Board, Greater Manchester Provider Federation Board

Other interests: ECHO - the trust's official charity

Qualifications: BA (Hons) Business Studies, Liverpool and IPFA (Institute Public Finance and Accountancy)

Appointed: March 2003

Kath Senior
Deputy CEO and Director of Nursing and Quality

Kath began her career as a registered A&E nurse in 1982 and has clinical and managerial experience across a wide range of clinical services. She went on to work in various service improvement roles, with a focus on improving patient and staff experience, clinical access, productivity and efficiency. She became Chief Operating Officer in 2009, Director of Nursing, Performance and Quality in 2010 and changed to Director of Nursing and Quality in January 2019. She became the trust's deputy chief executive in April 2013. She was also the trust's Director of Infection Prevention and Control (DIPC) until January 2020.

Executive Lead: Safety, Quality and Standards Committee, Safeguarding Children and Vulnerable Adults and Community Service Transformation

Chair: Safeguarding Sub-Committee

Other interests: Visiting Professorship of University of Chester, ECHO – the trust's official charity and CQC Reviewer

Qualifications: BSc (Hons) Nursing, MSc in Management and Registered General Nurse

Appointed: October 2010

Rachael Charlton

Director of Human Resources and Organisational Development

Rachael joined the trust as Director of Human Resources and Organisational Development in May 2011 and leads on the trust's people management, organisational development and education, staff inclusion library and training agendas.

Lead Director: Leading the trust's people management, organisational development and education and agendas, Remuneration Committee, Partnership Forum Senior Responsible Officer, Cheshire East Partnership Board (workforce and organisational development)

Other interests: Fellow of Chartered Institute of Personnel Directors, ECHO – the trust's official charity and CQC Reviewer

Qualifications: BA (Hons) Education and Nursing, MA Health Services and Management, both from the University of Manchester

Appointed: May 2011

Dr John Hunter

Medical Director

John joined the trust in September 2000 as a consultant in anaesthetics with a special interest in critical care and was appointed as Interim Medical Director in November 2014, before being appointed to the role permanently in May 2015. John is leading the development of the trust's clinical strategy and is building collaborative partnerships with clinical leads in primary, community and secondary care settings, supporting and developing new models of care.

Consultant in anaesthetics and critical care

Clinical Lead for Organ Donation

Chair: Human Tissue Authority Governance Sub-committee

Lead Director: Clinical Audit Research and Effectiveness Sub-committee, Medicines Management Sub-committee, Mortality review Sub-committee and Local Negotiating Committee

Other Interests: Fellow of the Royal College of Anaesthetists, Member of Intensive Care Society and ECHO – the trust's official charity.

Appointed: May 2015

Julie Green
Director of Corporate Affairs & Governance

Non-voting director

Julie has over 30 years' experience working within the NHS in both commissioning and provider organisations. She brings a vast amount of experience to her role and leads on trust governance, emergency preparedness, business continuity, health and safety and communications and engagement. Julie also acts as the trust's Senior Information Risk Owner, the Communications and Engagement lead and lead responsible officer for ECHO, the trust's charity.

Chair: Serious Incident Review Sub-Committee, Information Governance and Health Records Sub-Committee and Emergency Preparedness and Business Continuity Sub-Committee

Lead Director: Finance, Performance and Workforce Committee, Risk Management Sub-Committee.

Accountable Emergency Officer

Member: North West Foundation Trust Secretaries

Qualifications: MSc Healthcare Governance with Distinction, Post Graduate Certificate in Clinical Risk and Management and Clinical Handling

Appointed: February 2011

Mark Ogden
Director of Finance

In addition to being accountable for the trust's overall financial sustainability, Mark leads on the delivery of the trust's financial strategy, including the cost improvement programme, informatics programme and estates and facilities strategy. Mark brings a wealth of experience to his role, having been a director of finance since 1998 and working across a number of acute and integrated NHS trusts, along with a strategic health authority.

Chair: Digital Transformation Group, Recovery Programme Board and Capital and Space Planning

Lead Director: Audit Committee, the trust's Nominated Local Counter-Fraud Specialist, Estates and Facilities (including security), Procurement, Security Management and Informatics

Other interests: Fellow of the Chartered Institute of Management Accountants, ECHO -the trust's official charity.

Appointed: July 2015

Jayne Wood
Chief Operating Officer

Jayne has over 30 years experience working within the acute sector of the NHS. She began her career as a pharmacist in 1985 before moving into general management in 2002. She has a successful track record of leading operational performance across a broad range of services in acute trusts in Greater Manchester, Cheshire and the Mersey regions. In her role she leads on delivery of clinical and operational services through the clinical directorates. This includes delivery against NHS Constitution standards, related national and local patient access targets as well as operational delivery of Quality, Innovation, Productivity and Prevention (QIPP) to achieve requirements within the annual operational plan.

Chair: Operational Resilience Group, Operational Management Team and Clinical Directorate Performance Meetings

Lead Director: Clinical and Operational Service Delivery

Other interests: Expert Reviewer – National Institute for Health Research (NIHR), Member - Cheshire and Mersey and Greater Manchester COO Forum, Managing Successful Programmes (MSP) Practitioner Member and Registered Pharmacist

Qualifications: BSc (Hons) Pharmacy, MPhil (by Research) Drug Stability, Fellow of Institute of Healthcare Management.

Member: Greater Manchester Chief Operating Officer Forum

Appointed: January 2019

Non-Executive directors

Lynn McGill
Chairman

Lynn took over as Chairman in November 2010, having initially served as a non-executive director from 2003. She brings a wealth of experience to the trust from a number of leading change roles in industry.

As Chairman, Lynn has led the trust through the acquisition of community services and the associated due diligence processes. Additionally, under Lynn's chairmanship, the trust has been named one of CHKS's top 40 hospital trusts in England multiple times.

Chairman: Clinical Excellence Awards Committee and Remuneration Committee

Trustee of Charitable Funds Committee

Other interests: Member of Cheshire East Council Leadership Forum, Friend of East Cheshire Hospice, Champion for Equality and Diversity and Associate, Member of Greater Manchester Chairs Forum and CQC Reviewer.

Appointed: November 2010
Reappointed: November 2016

Mike Wildig
Non-Executive Director

Mike joined the trust after more than 35 years with a major accounting firm specialising in taxation and corporate transactions.

Mike is Senior Independent Director. He brings to the trust significant experience of large change programmes and building strong and successful businesses. This includes areas such as mergers and acquisitions, legal structures, valuations of businesses and realising post-acquisition synergies.

Chair: Finance, Performance and Workforce Committee

Member: Audit Committee, Remuneration Committee

Trustee: Charitable Funds Committee

Other interests: Fellow of the Institute of Chartered Accountants in England and Wales, member of Institute of Taxation, Champion for Procurement and ECHO – the trust's official charity

Appointed: November 2013
Reappointed: November 2017

Ian Goalen
Non-Executive Director

Ian brings 33 years' experience as an accountant and auditor to the trust. He is a fellow of the Institute of Chartered Accountants and has acted as Deputy Chairman of the trust since October 2013.

Chair: Audit Committee

Member: Finance, Performance and Workforce Committee, ECHO – the trust's official charity

Other interests: Fellow of the Institute of Chartered Accountants and champion for Emergency Planning, Resilience and Response.

Appointed: September 2012
Reappointed: September 2016

Dr Peter Madden
Non-Executive Director

Peter is a retired general practitioner who practiced at Chelford Surgery from 1984 until 2016. During his time there, the surgery was rated the best performing GP practice in Eastern Cheshire in the national IPSOS MORI GP Survey and was one of the top 25 practices in England.

He was trained at St Andrews University and Manchester University before undertaking his general practice vocational training at Macclesfield Hospital.

Peter was also the Medical Director of the Cheshire Local Medical Committee for 28 years representing the interests of over 500 GPs in Cheshire until November 2017. In this role he has gained widespread knowledge of the NHS in both general practice and hospitals.

Safeguarding Lead from September 2018

Chair: Safety, Quality and Standards Committee and Organ Donation Committee

Trustee: ECHO – the trust's official charity

Appointed: April 2018

Andrew Smith
Non-Executive Director

After studying law at Cambridge University and a career in private practice, including 15 years as partner in a leading property law firm, Andrew now works in counselling and psychotherapy.

He served as an NHS non-executive director and senior independent director from 2012 to 2018 at what is now the University Hospital of North Midlands NHS Trust during a period of change in which it began running County Hospital Stafford, in addition to the Royal Stoke.

In his role at the Royal Stoke and County Hospital, Andrew was a passionate board champion of equality, diversity and inclusion and also a non-executive whistleblowing director, who worked with the trust's Freedom to Speak Up Guardian to promote a culture where staff feel able to raise concerns.

Member: Safety, Quality and Standards Committee

Appointed: January 2020

Tim Shercliff
Non-Executive Director

Tim has a background in the information technology sector, where he held executive management roles at IBM before setting up his own business in 2005, specialising in strategy and transformation.

He was a visiting fellow at Manchester Business School in 2009-2012 and has helped establish and run three social enterprises, two of which are in Macclesfield.

Chair: ECHO - the trust's official charity

Member: Finance, Performance and Workforce Committee

Appointed: August 2019

Executive and Non-Executive Directors

EAST CHESHIRE NHS TRUST BOARD
Setting Strategy
Holding Accountability
Establishing Culture
Frequency 8/12 duration 2hrs

FINANCE, PERFORMANCE AND WORKFORCE COMMITTEE
Chair: Mike Wildig
Lead Director: Julie Green
Monthly, duration 2 hrs

This committee provide the Trust Board with assurance that standards relating to finance and workforce are being met. It will discuss the integrated performance of the organisation and provide assurance that there is a robust performance management framework in place. Its quality focus will be on systems and processes which underpin sound performance and workforce modelling to deliver redesigned clinical pathways.

REMUNERATION COMMITTEE
Chair: Lynn McGill
Lead Director: Rachael Charlton
Quarterly, duration 1hr

The Remuneration Committee is one of the 2 Committees the Trust is required to have by statute. Its role is to oversee and agree the remuneration and terms of service of the Chief Executive, the Executive and Other Directors who are members of the Board, together with any staff employed by the Trust whose terms of service who are not covered by national agreements to provide advice to the Board on a range of employment issue for all staff (i.e., pensions, car schemes, termination of employment).

SAFETY, QUALITY & STANDARDS COMMITTEE
Chair: Dr Peter Madden
Lead Director: Kath Senior
Monthly, duration 2hrs

The Safety, Quality and Standards Committee exists to provide the Trust's Board with assurance that national and local safety, quality and other standards are being met for both the clinical and non-clinical activities of the Trust. This Committee provides the Board with assurance that effective systems, process and training is in place to ensure all employees are aware of their responsibilities for promoting and maintaining the highest standards in everything the Trust does.

AUDIT COMMITTEE
Chair: Ian Goalen
Lead Director: Mark Odgen
Quarterly, duration 2.5hrs

The Audit Committee is one of the 2 Committees the Trust is required to have by statute. Its role is to review, on behalf of the Board, that the Trust has effective processes in place to manage and oversee the systems necessary for integrated governance, risks management, internal control (i.e., financial and clinical management). The Audit Committee is informed by reports on the Trust's systems and processes prepared by both internal and external auditors.

EXECUTIVE MANAGEMENT TEAM MEETING
Chair / Lead Director: John Wilbraham
Weekly, duration 4hrs

The Executive Management Team is not a Committee of the Trust's Board, but a forum for the Chief Executive to ensure clear accountability. This is the forum where Executive Directors are held to account by the Chief Executive for delivery of objectives recovery, which includes the delivery of the cost improvement programme.

CLINICAL MANAGEMENT BOARD
Chair / Lead Director: John Wilbraham
Weekly, duration 2hrs

The Clinical Management Board is not a Committee of the Trust's Board, but a forum for the Chief Executive to ensure clear accountability and to gain assurance from Executive Directors, Clinical Directors and Clinical Leads that key objectives are being achieved and risks managed. The Chief Executive can then give assurance or raise risks with the Trust's Board. Within the ToR the QIPP/CIP scheme is managed through this forum.

All Supported by Sub Committees and Groups

Formal Committee of the Trust Board - Accountable to the Trust Board

Operational Reporting Forum - Accountable to the Chief Executive

Audit Committee

The Audit Committee has primary responsibility for:

Governance, risk management and internal control

The Committee shall seek assurance that an effective system of integrated governance, risk management and internal control is established and maintained across the whole of the organisation's activities, both clinical and non-clinical, which supports the achievement of the organisation's objectives. The committee shall provide the Board with such assurance through its reporting arrangements and other committees and groups.

Internal audit

The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory NHS standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board.

External audit

The Committee shall seek assurance on the work and findings of the external auditor and consider the implications and management's responses to their work. The committee has responsibility for appointing external auditors.

Other assurance functions

The Committee shall review the findings of the other assurance functions, both internal and external to the organisation and consider the implications to the governance of the organisation.

Financial reporting

The Committee shall seek assurance on the integrity of the financial statements of the trust and any formal announcements relating to the trust's financial position.

Three non-executive directors are members of the Audit Committee excluding the Chairman of the trust. These are: Ian Goalen, Mike Wildig and Peter Madden and as can be seen within the Board members section on previous pages – all have relevant financial and quality experience.

Freedom to Speak Up

The trust has a Freedom to Speak Up Guardian in place whose role is to promote speaking up across the trust, support staff who raise concerns and ensure that there are appropriate management responses to issues raised. The Trust Board has approved a three-year Freedom to Speak Up strategic plan and arrangements are in place to provide assurance on speaking up matters. Learning and actions as a result of investigations are shared trust-wide via staff communications, the Infonet (intranet) and governance structure.

The trust has 47 staff from different professional groups who have volunteered to be local ambassadors for speaking up and this supports the development and spread of a healthy organisational safety culture. Ambassadors have engaged front line teams in a series of 'Big Conversations' where they were given the opportunity to share concerns and discuss how they promote safety within their service areas. During 2019/20, the total concerns raised with, or overseen by, the Guardian was 39. This is in addition to those concerns raised and managed locally within services. In addition to learning for individual staff members in terms of the way they demonstrate trust values and behaviours, the theme arising from concerns raised during the year highlighted the need for local managers to ensure that they continually involve and communicate with staff where service changes are being explored and implemented. This is promoted via the trust's leadership development programmes and annual appraisal process.

Personal related-data

East Cheshire NHS Trust has an information governance strategy in place, which identifies how the trust ensures that information is appropriately and effectively managed, properly controlled, is accessible and available for use. A risk assessment process is embedded to ensure that the severity of any information governance incident is assessed consistently, with timely action taken to address any associated risks.

It is essential that all incidents relating to actual or potential breaches in confidentiality involving personal identifiable information, including data loss, are reported appropriately through the information governance assurance framework. No personal data-related incidents were reported externally to the Information Commissioner's Office (ICO) for 2019/20.

Counter-fraud

The trust operates a local anti-fraud policy available for all staff. Close links with anti-fraud organisations and robust provision of staff information including case studies of fraud helps to mitigate against fraudulent activity. Fraud information is also available on the trust website www.eastcheshire.nhs.uk

We are committed to reducing the level of fraud, bribery and corruption within both the trust and the wider NHS and aim to eliminate all such activity as far as possible. The trust has an established anti-fraud service provided by Mersey Internal Audit Agency (MIAA), with a nominated anti-fraud specialist (AFS) who undertakes a variety of activities in accordance with the Standards for Providers for Fraud, Bribery and Corruption. To ensure compliance in accordance with its contractual requirements under the NHS Standard Contract in respect of anti-fraud, bribery and corruption as required by NHS Protect's Standards for Providers the trust has an Anti-Fraud, Bribery and Corruption Policy in place which encourages anyone having reasonable suspicions of fraud, bribery or corruption to report them.

The trust is committed to embedding an anti-fraud culture throughout the organisation which is fully supported by the Board and monitored on a regular basis by the trust's Audit Committee. The trust takes all necessary steps to ensure that NHS funds and resources are protected and safeguarded against those minded to commit fraud, bribery and corruption and that appropriate measures to combat fraud, bribery and corruption are put in place.

Emergency Planning, Resilience and Response (EPRR)

The NHS has a set of common standards relating to Emergency Planning, Resilience and Response (EPRR) that NHS funded providers are required to assess themselves against. This process takes the form of a self-assessment against each of the common standards; these then inform the overall organisational rating of compliance and preparedness.

This year the trust declared an overall 'substantially compliant' rating, rating itself fully compliant in 66 standards and partially compliant on the remaining three standards. To ensure full compliance, the trust has implemented an action plan. Each year as part of the process, trusts are asked to carry out a deep dive in a specific area; this year's deep dive was on the trust's preparedness for severe weather.

Our declaration of 'substantially compliant' was signed off by the Trust Board in October 2019.

In March 2020, the trust enacted our Major Incident Plan in response to the COVID-19 pandemic.


East Cheshire

Coronavirus

The global impact of COVID-19 has been significant, and the public health threat it represents is the most serious seen in a respiratory virus for many years. COVID-19 is a respiratory infection caused by the virus SARS-CoV-2. Although most people with COVID-19 experience mild to moderate respiratory disease, a small but significant proportion develop acute respiratory distress syndrome (ARDS) and acute respiratory failure.

Cases of COVID-19 started to appear in the UK in early January 2020. On 17 March 2020 NHS England instructed trusts to prepare for and respond to large numbers of inpatients requiring respiratory support, particularly mechanical ventilation. The trust's response to this has been underpinned by the Emergency Planning and Preparedness Policy and procedures, establishing command and control management, oversight and reporting. Prior to the lockdown imposed in the UK, the trust commenced its command and control procedures in response to the pandemic and subsequent command and control systems and processes were fully operationalised. All national guidance was reviewed and appropriately implemented.

A clear communications rhythm was established across the organisation including daily executive podcasts and opportunities for staff to raise questions via a COVID-19 email inbox.

The trust undertook a number of actions to ensure preparedness for the COVID-19 pandemic including:

- Cancellation of routine elective inpatient and day case activity
- Restricted footfall on the hospital site through innovative outpatient provision (virtual clinics and telemedicine) and reduced inpatient visiting in line with national guidance
- Use of a local private hospital to maintain some urgent (cancer) surgery
- Upskilling and redeployment of staff (in excess of 300 staff received training to up their skill levels and a similar number redeployed to work in different areas)
- Cessation of births at Macclesfield, increased critical care capacity and reconfiguration of ward beds to increase capacity for COVID-19 patients
- Procurement of additional Personal Protection Equipment (PPE) and clinical equipment
- Fit testing of PPE
- Optimising medical rotas
- Maximised social distancing and home working
- The trust worked in partnership in Greater Manchester and Cheshire and Merseyside to ensure system resilience and plans for accessing mutual aid
- Staff swabbing and testing
- Provision of Standard Operating Procedures (SOPs) and policy guidance
- Review of oxygen supply and flow
- Additional mortuary capacity was made on site.

Increasing critical care capacity was an essential change to the trust to ensure resilience for COVID-19. Critical care capacity was increased from six beds to 14 to meet the anticipated needs of patients requiring ventilation. The excellent clinical leadership at the trust enabled rotas to be strengthened and care pathways to be streamlined and the redeployment of staff ensured that the trust was able to meet the anticipated patient needs.

In addition, four general medical wards were converted to accommodate suspected and confirmed COVID-19 patients providing appropriate treatment of symptoms, and infection prevention and control. In discussion with clinical leaders, regulators, commissioners and maternity service partners it was agreed that Macclesfield births should be temporarily suspended from 23 March 2020 for a period of six months to release anaesthetic capacity for critical care. In line with the trust's emergency decision-making processes, this decision was taken and ratified by the Board in April. Subsequent national guidance has been published regarding the temporary reorganisation of intrapartum maternity care during the coronavirus pandemic.

Personal Protective Equipment (PPE) supply and appropriate fit testing has been critical to support front line teams and additional support and guidance continues to be provided to staff in line with national guidance from Public Health England. The trust was pleased to report good procurement support and internal distribution of the equipment to ensure PPE for all staff whilst working with partner organisations to provide and on occasion receive mutual aid.

New ways of working, such as remote access and improved use of technology to support clinical and managerial practice was implemented during the start of the pandemic and will be maintained as these have proven to have been beneficial to efficient ways of working whilst maintaining high standards both for patient and non-patient activity.

The trust worked with guidance from NHS England setting out where reporting requirements for the end of the financial year were suspended. The trust continues to monitor key standards to maintain oversight of patient activity and safety.

A range of actions have been taken to support staff attendance, resilience and wellbeing during the pandemic and as expected staff absence did increase due to self-isolation, contraction of the virus and absence due to family isolation. The trust ensured that staff were supported throughout their absence and actions were taken including prompt staff swabbing to ensure that return to work was expedited wherever possible. Staff wellbeing has been at the forefront of the trust's COVID-19 response.

During early 2020/21 the trust will commence work with operational and clinical teams and system partners to plan for recovery to enable progress to be made as soon as the trust is able to recommence activity.

Incident reporting statistics

In line with regulatory requirements, the trust reports all patient safety incidents to the National Reporting and Learning System (NRLS). The trust aims to continually increase the level of incident reporting, because evidence shows that organisations that report more incidents usually have a better and more effective and open safety culture. The figures below indicate high levels of incident reporting by the trust and with a reporting rate of 56.27 incidents per 1,000 bed days (NRLS, published April 2019) the trust is among the top 25% of reporters for its cluster group (small acute – non-specialist).

Our staff are encouraged and supported to be open and honest when things go wrong, so that as an organisation we can learn and take action to improve the care provided to our patients. We have appropriate processes in place to ensure we comply with our statutory Duty of Candour for those incidents that result in moderate or severe harm. Where appropriate, we undertake root cause analysis (RCA) investigations, which are a nationally-recognised way of ensuring that both individual and organisational learning and appropriate improvement action is identified and we involve families and carers to ensure we feedback on what actions we have taken to improve the experience of those who use and come into contact with our services.

October 18 - March 19	
Incident reported rate per 1000 occupied bed days	56.27
% of these incidents are near-misses or low harm to patients	36.9

April 19 - September 19	
Incident reported rate per 1000 occupied bed days	55.8
% of these incidents are near-misses or low harm to patients	96.8

*NRLS reports are produced six months behind, therefore this report shows the NRLS reporting to date.

Risk aware, patient-led culture

We continue to improve care and services while working hard to ensure care is right first time, although we recognise we occasionally make mistakes or errors. Incidents, near misses and risks are reported on an electronic integrated risk management system which is accessible to all staff across the trust. The trust is a high reporter of incidents demonstrating an open and transparent safety culture.

We learn from listening to feedback on the experiences of patients, relatives and carers through sharing patient stories at Trust Board, the Safety, Quality and Standards Committee and Integrated Safeguarding Sub-committee and reviewing outcomes of patient surveys to determine action required to improve quality of service provided. Learning and improvement action following incidents, complaints, claims and patient experience feedback is reviewed within each of our clinical directorates, with a quarterly report produced that outlines themes and trends across the trust. During the year the trust achieved its target to reduce formal complaints, through local and real-time action taken by staff to resolve concerns at the time they arise and through our proactive PALS outreach service.

Serious incidents (SIRI)

East Cheshire NHS Trust has a duty to report serious incidents to our commissioners and regulators via the Strategic Executive Information System (StEIS), including the Care Quality Commission. All investigations into serious incidents are subject to independent internal and external scrutiny and, where required, action plan monitoring. 89 serious incidents requiring investigation were reported in 2019/20. Where the trust has identified that there were no lapses in care then commissioners “undeclare” the serious incident and remove it from StEIS. 10 serious incidents requiring investigation were undeclared in 2019/20.

Annual Governance Statement 2019/20

Scope of Responsibility

1. East Cheshire NHS Trust provides both in hospital and out of hospital services, with a headcount in the region of 2,600 staff and a revenue income of £176 million. The trust's services are managed through an operational structure of three clinical directorates, supported by corporate functions.

2. The trust acknowledges its legal duty to safeguard patients, staff and the public and recognises that failure to manage risk effectively can lead to unacceptable harm to someone and can result in damage to the trust's reputation and financial loss. The Board of Directors has overall responsibility for corporate governance including safety, quality, and risk management within the trust and has legal and statutory obligations which demand that the management of risk is addressed in a strategic and organised manner.

3. As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the trust's objectives, aims and policies whilst safeguarding the public funds and departmental assets for which I am personally responsible in accordance with the responsibilities assigned to me.

4. I am also responsible for ensuring that the trust is administered prudently and economically and that resources are applied efficiently and effectively. This includes ensuring there are sound systems of internal control to monitor performance of outsourced services. I also acknowledge my responsibilities as set out in the NHS Trust Accountable Officer Memorandum.

5. To fulfil my role as Accountable Officer, I have:

   a) Continued to review and realign the responsibilities of my Executive Directors and in response to the national pandemic coronavirus (COVID-19) I have ensured there is a clear focus to support control and command procedures and delivery of national guidance whilst maintaining strong financial governance.

   b) Chaired the Clinical Management Board which, although not a formal committee of the Board, provides an opportunity for clinicians and managers to oversee the delivery of the transformational and corporate agenda facing the trust. During the year I have widened the membership to include Deputy and Associate Directors.

   c) Chaired the Executive Management Team meeting. This is not a formal committee of the Board; it is where I hold Executive Directors to account for delivering strategic and operational objectives relating to the overall performance of the trust.

   d) Maintained Board focus, through my Chief Executive Report on actions to address any areas of slippage on performance, enabling further scrutiny and challenge at Board and committee level. The Board has approved the assurance process as part of their annual review of the Risk Management Strategy. The Board has agreed the process for seeking assurance during the period of national pandemic including communication with the public and confirmed the emergency decision making process as set out in the corporate governance manual.

6. In addition to the internal governance and control framework, I have considered the broader objectives of the trust which requires effective partnership working across the wider health economy and beyond. There are also processes to engage with partner organisations and the trust's regulator NHS England/ Improvement (NHSE/I) which includes regular meetings between the trust partners listed below, some of which has been via the use of telecommunications and other video links at the later end of the year:

   - The Clinical Commissioning Group in our area, including social care commissioners
   - Cheshire East Council
   - GP provider federations
   - The Health and Care Partnership of Cheshire and Merseyside
   - Greater Manchester Partnership Federation Board (Associate Member)
   - The "Place" partners of Cheshire East
   - Meetings with Chief Executives and senior managers from:
     - NHS Improvement
     - NHS England.

Additionally up until the pandemic outbreak when there was a requirement for meetings were scheduled differently:

- I have chaired the system wide A&E Delivery Board
- ensured representation on local safeguarding boards for children and adults
- maintained engagement with Healthwatch England
- continued to have engagement meetings with the Care Quality Commission
- ensured representation on the Local Health Resilience Partnership Forum
- maintained meetings with third party providers to seek assurance on provision of contracts.

7. During 2019/20 the trust continued to operate in line with requirements from the NHSE/I and to work towards a sustainable service configuration, attending performance monitoring meetings in line with the Single Oversight Framework and escalation process. The trust has also received and noted the national guidance in respect of releasing capacity during the unprecedented impact of the national pandemic coronavirus.

   a) The Board has assessed the financial position of the trust as high risk and has been proactive in the delivery of a recovery plan to improve its financial position. The trust delivered its financial performance target with an outturn surplus at month twelve 2019/20 of £50k compared with the agreed financial control target of £5.061m deficit.

   b) The trust has continued to enter into further interim revenue support loans as appropriate during the year to fund the ongoing cash shortage and to support the continued delivery of services.

   c) The trust has continued its work to identify opportunities to increase productivity and demonstrate improvement in value for money.

   d) The trust was assessed as part of NHSE Use of Resources assessment as requires improvement and agreed a number of improvements.

   e) The trust has provided assurance to NHSE/I that actions have been taken to improve the performance of the 4 hour access standard as set out within a letter of undertakings.

Quality Governance (also see Annex 1)

8. The trust's CQC rating remained "Good" overall for well led and all core services with key improvements acknowledged including examples of outstanding practice recognised in critical care, end of life care, outpatients and community services for children, young people and families. A quality improvement plan was developed to ensure two areas of regulated activity are met. These relate to consent of children and young people when they reach the age of 16 to ensure their best interests are met and ensure that patients receive care in a timely way and work towards improving performance against national expectations such as the time from arrival to treatment.

   a) The Board has oversight of quality and its Safety, Quality and Standards Committee provides assurance in this respect. The Director of Nursing and Quality is the Executive Director with responsibility for quality systems. The Board set out its assurance processes as part of the planning for the response to coronavirus surge. The Board's quality governance has been reviewed in a number of ways during 2019/20:

   - scrutiny of the quality improvement action plan to ensure compliance of regulatory activity
   - oversight of Freedom to Speak Up reported incidents and action taken to support improvement including agreement of the strategic plan for Freedom to Speak Up
   - review of external investigations to ensure the trust has sight of recommendations and can assess whether any trust action is required
   - quality monitoring including quality visits by the trust's lead commissioner
   - a review of clinical audit and compliance with NICE guidance
   - the trust's quality risks which link to the Board's strategic risks have been reviewed and monitored and continued action has taken place to either mitigate or reduce the risk level which has included focus on the following areas:
     - nurse staffing levels within the acute hospital setting which are due to the inability to recruit qualified staff
     - medical workforce – specifically middle grade cover
     - the impact of overcrowding in the Emergency Department during times of peak pressure
     - review of serious incidents, including action taken and learning identified
     - review of actions taken to ensure national standards are embedded to prevent re-occurrence of never events
     - review of cancer and diagnostic standards to seek oversight of safety systems in place
     - review of the backlog of outpatient waiting lists
     - review of the trust's management of sepsis, responding to alerts and learning from deaths

9. During the year where incidents have been reported as serious, assurance has been provided on actions taken including being open and compliant with our duty of candour. The trust has reported 5 'never events' which took place in 2019/20. 4 incidents related to a scheduled day case list involving the incorrect dose of midazolam. Two patients received short term intervention and were discharged home on the same day. The fifth incident related to wrong site surgery associated with an index finger. The trust engaged the whole organisation in a #Stop-Check-Challenge campaign to embed changes in practice and share learning.

10. During 2019/20 the Ombudsman acknowledged best practice within the trust for the Patient Advice and Liaison which outreaches into service areas and supports patients and staff to resolve concerns within real time. Following investigation, two complaints were closed by the Parliamentary and Health Service Ombudsman (PHSO) with no recommendations for the trust.

    a) The Directors are required under the Health Act 2009 and the National Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts. This year due to the outbreak of the national pandemic coronavirus, it was agreed to suspend any external audit assurance. The Quality Account 2019/20, although not required to be prepared until later in the year, was received in draft by the Safety, Quality and Standards Committee.

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

The Purpose of the System of Internal Control - risk profile and board assurance framework

11. The trust's system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve objectives, aims and policies; 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 achievement of the policies, aims and objectives of East Cheshire NHS Trust, by evaluating the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. Through the trust governance arrangements. The system of internal control has been in place at East Cheshire NHS Trust for the year ended 31st March 2020 and up to the date of approval of the annual reports and accounts.

12. The Board has reviewed its risks and Board Assurance Framework which sets out the strategic risks which could impact on the delivery of the organisation's objectives. The Board scrutinises the assurance framework and corporate risk register to provide assurance that the strategic risks and the controls in place to mitigate the risk are appropriate and effective. The Board also receives integrated performance reports which provide data in respect of financial, clinical and national targets and objectives. Any areas of risk are then highlighted through the use of a Red, Amber, Yellow and Green rating system and exception reports.

13. In addition, the trust continually re-assesses risk, and identifies and responds to new risks, through for example, incident reporting, complaints data, claims and risk assessments. Reviews are undertaken on recommendations from internal and external data, reports and inquiries into other trusts along with national guidance to ensure the trust encompasses lessons learnt. Areas of focus have been understanding and learning from external reviews and learning from Freedom to Speak Up Reports. There is full commitment to ensuring the organisation is a safe place for patients, staff and members of the public. The trust is aware that effective risk management plays a pivotal role in achieving the excellent levels of clinical quality and safety it aims to deliver.

14. The reviewed strategic risks within the Board Assurance Framework which have been identified in 2019/20 and going forward are:

Strategic Risk	Controls/Key Actions
If the collective leadership across the integrated care system is not well led and unable to effect the changes required with pace and support of key regulators and stakeholders then there is a risk to the sustainability of the trust and the wider health and social care economy.	The trust has continued to work with partners of The Health and Care Partnership of Cheshire and Merseyside, local "Place" partners and Manchester to develop sustainable services for its population. This aligns to the NHS 10 year plan. • The trust will be working with partners to set out a recovery plan in light of the coronavirus national emergency.
If quality is not maintained in line with regulatory standards during and after transition then this could impact on services the trust provides and its ability to provide services that are caring, safe, and responsive and safeguard the health and wellbeing of the local population.	The Trust Board has ensured there is Executive focus on improving quality through: • work set out within the Quality Strategy • implementing improvement plans relating to key access standards • learning from external visits/audit reviews • maintaining safety during the coronavirus national emergency.
If the trust cannot meet its part of the requisite financial regulatory standards and operate within agreed financial resources and transformation schemes do not deliver sufficient savings, then the proposed health economy-wide service model will not be fully or effectively implemented.	The Trust Board has continued to prioritise financial performance and control to ensure delivery against its agreed plan.

Strategic Risk	Controls/Key Actions
If the trust does not attract, develop, and retain a resilient and adaptable workforce with the right capabilities and capacity then there may be an impact on achieving mandatory service standards, and delivering an integrated system.	The Trust Board has continued to implement the trust's workforce strategy which aligns to the recommendations set out in "Developing Workforce Safeguards"; • ward staffing levels have been reported to the Board • gaps in some middle-grade rotas have required a high-level of Executive focus • recruitment and retention schemes have seen a reduction in some vacancies and positive impacts on agency spend • the trust has seen improvements in national Staff Survey • the Executive Director for HR & OD has appointed a Director of Workforce Diversity and Inclusion to further support development in this area.
If the information technology/information systems and estate infrastructure are not sufficiently invested in and adapted to align with the health economy strategy, then there will be an impact on the quality of the delivery of clinically and financially sustainable services.	The Trust Board has, through its capital and space management arrangements, continued to: • review and prioritise the capital plan resource which focused on agreed fire safety works, continued investment in equipment, and upgrading of the estate in a number of areas including commencement of the outpatient facility • the trust has also invested in its digital transformation programme in line with its agreed plan.

15. The Trust Board has reviewed compliance in relation to the NHS provider license; taking into account external reviews including the outcome of the CQC Inspection for Well Led being "Good". This included its assessment against the NHSEI Well Led Framework for use of resources (https://improvement.nhs.uk.resources/well-led-framework) The trust has published its outcome.

General Data Protection Regulations (GDPR) – Information Governance

16. GDPR risks are managed as part of the integrated Risk Management Strategy and assessed using the GDPR Data Security and Protection Toolkit, measuring performance against the national Data Guardian's 10 data security standards. The trust has a Senior Information Risk Owner (SIRO) (Director of Corporate Affairs and Governance) who reviews all confidentiality and data protection issues with the Caldicott Guardian. The trust has not reported any serious incidents in data security during 2019/20.

17. The trust's GDPR and information governance status is scrutinised by the Clinical Management Board. A review by internal audit against information governance compliance criteria received substantial assurance. This has supported the trust's self-assessment of having met all mandatory standards of the Data Protection and Security Toolkit requirements. During 2019/20 the trust's annual information governance training compliance score achieved above the 95% expected standard.

Employment, equality and diversity, and environment

18. 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 to the scheme are in accordance with the scheme rules and that members' pension scheme records are accurately updated in accordance with the timescales detailed in the regulations.

19. Control measures are in place to ensure that all the NHS trust's obligations under equality, diversity and human rights legislation are complied with and the trust supports the development of a requirement to recruit more diverse Non-Executive Directors. The Board is provided with assurance in respect of equality and diversity as part of its annual work programme. The Executive Director of HR & OD has appointed a Director of Workforce Diversity and Inclusion to strengthen this important agenda.

20. The trust has continued to implement its Workforce Strategy which aligns to the "Developing Workforce Safeguards" recommendations. The Finance Performance and Workforce (FPW) Committee of the Board has oversight of the strategy which sets out the short, medium and long term plans.

21. The trust has been an active member of NHSI's Retention Programme and implemented schemes which have had successful outcomes. During the year work has been undertaken with partners across the Cheshire East "Place" to develop workforce plans for the future. All workforce risks are assessed and during the year a thematic review of workforce risks has been presented to the FPW Committee identifying the mitigations in place. The trust invested in an electronic tool to support and ensure safe nurse staffing is aligned to the acuity of patients and the Board receives reports on safe staffing.

22. The trust complies with local anti-fraud and security management services directives. Reports have been presented to the Audit Committee which has included a plan and annual report on anti-fraud and security management.

23. The trust has undertaken risk assessments and a sustainable management plan is in place which takes account of UK 2018 climate projections (UKCP18), to ensure that this organisation's obligations under the Climate Change Act and the adaptation reporting requirements are complied with.

Review of the effectiveness of risk management and internal control

24. As Accountable 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 Executive managers and clinical leads within the trust that have responsibility of the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available.

25. My review is informed in a number of ways.

a) The Head of Internal Audit provides me with an annual opinion on the overall arrangements for gaining assurance through the assurance framework and on the controls reviewed as part of the internal audit work. This opinion has provided substantial assurance. Reports are provided to the Audit Committee and full reports to the Director of Finance, Director of Corporate Affairs and Governance, and other Directors or Senior Managers as appropriate. Directors also meet with the Audit Manager. During 2019/20 all audit reviews have received high, substantial or moderate assurance. Data quality has been assessed as part of this process via a referral to treatment ((RTT) - 52 weeks review) which looked at the validation process, a waiting list review which included the booking process, and the reporting of data and a review of 104 days waiting time data which assessed information relating to the patient tracking system.

b) The comments made by the external auditor in their management letter and other reports, which include the financial statements, audit findings report and regular technical update reports, have been noted and the trust has adopted the recommendations made, to improve services and performance. Executive Directors, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance. The corporate risk register/assurance framework itself provides me with assurance that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives has been reviewed.

The Trust outsources elements of its transactional financial services to a third party supplier. Assurance on the effective operation of the control environment is gained through measures including independent Auditor reports. In May 2020, the Trust received the supplier's Finance and Accounting ISAE3402 report, covering Finance and Accounting and associated general IT controls for the period 1 April 2019 to 31 March 2020. The audit did not identify any exceptions in respect of all twenty one control objectives, however, unfortunately due to COVID-19 and the closure of the supplier's India offices the auditors were unable to test a small number of controls for the period February 2020 to March 2020 and as a result a qualified opinion was issued. We have reviewed the audit report and are satisfied that no material control weaknesses were identified.

c) Reports to the Safety, Quality and Standards Committee, the Finance, Performance and Workforce Committee, the Remuneration Committee and their reporting groups the Clinical Management Board and the Executive Management Team meeting.

d) Registration with the Care Quality Commission without enforcement notices provides assurance.

e) The trust's Quality Account, the achievements and proposed actions where full achievement has not been reported.

26. 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 other committees of the Board and a plan to address weaknesses and ensure continuous improvement is in place.

- I am aware of the role of the Trust Board in providing active leadership to the trust within a framework of prudent and effective controls that enable risks to be assessed and managed. I am also aware of the committees, other groups and individuals which promote risk management. I am assured that both the Board and its committees have reviewed their performance and effectiveness during 2019/20, through self-assessment and annual reports and have agreed actions to further improve their development and effectiveness. Details of these committees and their function are outlined in Annex 1 (Governance Framework).

Significant issues

27. I recognise that there will be significant challenges in delivering locally based services in the future.

a) The Trust Board has previously confirmed that in its current form the organisation is not sustainable. The trust has continued to work with partners across health and care settings and is a key partner of East Cheshire “Place” Programme Board.

b) The trust has seen challenges relating to the delivery of access standards during the year and although saw some improvement, further recovery during the early part of the year will be impacted by the national emergency of the coronavirus pandemic. Going forward the trust will work together with key partners in Cheshire and Merseyside and Greater Manchester to implement a recovery plan from the impact of the pandemic outbreak.

c) The trust did meet its agreed control total although continued to have significant financial challenges during the year including delivery of QIPP using traditional methods. The trust will continue to work with partners to transform service delivery to provide sustainable local services across both health and care settings.

Conclusion

28. I have listed the significant risks that face the organisation in section 14 of the Governance Statement and these are underpinned by action plans. The trust is working closely with partners across the system to support the delivery of our plans. NHS Improvement has continued to support the local health economy through the sustainability pathway and the trust has been placed in segment 3 in line with the Single Oversight Framework, and segment 4 in respect of the 4 hour access standard.

29. Assessment has been undertaken via risk assessment and inspection and the trust remains registered with the Care Quality Commission without any enforcement notices.

30. My review confirms that East Cheshire NHS Trust has no significant internal control issues identified. There is a sound system of internal control that supports the achievement of trust objectives, aims and policies and this has been in operation up to 31st March 2020 and to the point of signing this statement. The Board is committed to continuous improvement and enhancement of the systems of internal control.

Annex 1 (The Governance Framework), and Annex 2 (Risk Assessment Process) should be read in conjunction with the above as it provides further detail to the above summarised information and forms part of my statement.

Signed:

John Wilbraham
Chief Executive
Date: 22nd June 2020

Annex 1

The Governance Framework of the Organisation

1. The trust's governance framework provides assurance from operational service areas to Board through its embedded committee structure, (described below). The trust's risk and assurance processes have been audited to ensure that they have robust systems and controls to manage and monitor progress towards the trust's vision and objectives.

2. The trust has an agreed committee protocol requiring 75% attendance which is annually reported at Trust Board. In line with the policy any absence from committee attendance was agreed with the Chief Executive, and/or Chair of the committee and individuals received and reviewed the papers to ensure opportunity to contribute was achieved.

3. The Trust Board

   a) At an overall level, responsibility for governance is held by the Board. The Board is accountable for ensuring that the right culture, systems and procedures are in place to enable appropriate governance, including establishing committees of the Board as required. The Board has retained and approved responsibility for its Scheme of Reservation and Delegation and through this, and by approving the terms of reference for Board committees, maintains overall responsibility for the statutory functions of the trust. The Board has clarified the information it requires to be assured that all functions are appropriately discharged. The Board reviews its own and assessments of its committees annually.

   b) During 2019/20 the Board has met formally in public on seven occasions and had eleven scheduled private meetings and two extra ordinary meetings. The Board meetings are supported by an annual work programme to assist with planning their agendas and to communicate the assurance that is required throughout the year to the senior management team and the trust's committees, sub-committees and groups. The Board retained authority to approve key strategic documents, business plans and financial plans.

   c) The Board comprises:

   - An independently appointed Chair
   - An appointed Vice Chair
   - Five independently appointed Non-Executive Directors, one of which is the Senior Independent Director and one is the Vice Chair
   - Five voting Executives Directors; the Chief Executive, Director of Nursing and Quality (also the Deputy Chief Executive), Medical Director, Director of Finance, and Director of Human Resources & Organisational Development
   - Two non-voting Executive Directors; the Director of Corporate Affairs and Governance and the Chief Operating Officer
   - Two new appointments of Non-Executive positions were made following retirement of two Non Executives from the board. No other changes in personnal were made.

   d) Directors have undertaken self-assessments in line with regulatory requirements under the "Fit and Proper Persons" test and appropriate checks undertaken. No concerns were highlighted.

   e) In 2019/20 the Board reviewed and updated its corporate governance arrangements (corporate governance manual) which included standing orders, standing financial instructions and scheme of reservation and delegation. A revised Declaration of Interest Policy was approved along with the agreement to review conflicts of interest at each Board and committee meeting. The trust has published on its website an up-to-date register of interests including gifts and hospitality, for decision making staff (as defined with reference to the guidance) within the past twelve months in line with the "Managing Conflicts of Interest in the NHS' guidance.

   f) The Board has scrutinised and monitored performance against national priorities as set out in the Single Oversight Framework. Where there has been any slippage on performance action plans have been agreed to ensure there is further focus to improve the trust's position. Key areas of challenge and focus have been financial delivery, the 4 hour access standard and 18 weeks referral to treatment standard at specialty level. The Board has reviewed the NHS 10 year plan and set an operational plan and quality strategy to support this. The Board has also received assurance in respect of planning for a European Union no deal exit.

g) Attendance at Board meetings has been in accordance with the required 75% standard. Where members have not attended this has been with the approval of the Chairman of the Board. The Board has received full details of individual member's attendance.

h) The Board has had regular and structured development sessions which in 2019/20 focused on the following key strategic and development issues against the corporate objectives. The development sessions provide an opportunity to review the Board's governance arrangements and assessment to support the board to formulate strategy, ensure accountability and shape the culture of the organisation:

- Patients – Transformation; the role of the NHS in system transformation (local growth adviser interactive session). Continued development of the trust's clinical strategy.
- Partnerships – Working together to develop sustainable services; Care Communities overview. Stakeholder analysis.
- People – Receiving guest partnership speakers and leaders across health and social care agenda. Masterclass on creating a culture to aid health and wellbeing. The important impact of workforce inclusion.
- Resources – Review of objectives, governance and assurance processes. Cyber Security briefing and training. Board skills review.

4. The formal committees of the Board have been designed to provide assurance on delivery of the trust's strategic objectives, the risks that impact on their delivery and assessment of overall control arrangements in place. The Board has an action log of closed and open actions. An outline of the trust's committee structure is set out below.

5. Audit Committee

a) In 2019/20 the Audit Committee met four times, with an agreed annual work programme, produced formal minutes and maintained an action log of open and closed actions. Its formal minutes were provided to the Board, together with verbal reports from the Chair of the committee. The committee presented its annual report to the Board along with other committee annual reports.

b) This Committee is chaired by a Non-Executive Director and its membership comprises three Non-Executive Directors (this does not include the trust's Chairman). I have an open invitation to attend the meetings as the Accountable Officer. During the year other officers have attended to support the agenda items. The trust's internal and external auditors have also attended.

c) The committee's role is to review, on behalf of the Board:

- The effectiveness of the processes in place to manage and oversee the systems necessary for integrated governance, risk management and internal control (i.e. financial and clinical management)
- To ensure it is satisfied that the same level of scrutiny and independent audit over controls and assurances is applied to the risks to all strategic objectives, be they clinical, financial or operational.

d) As part of an integrated committee structure, the Audit Committee is pivotal in advising the Board on the effectiveness of the system of internal control. Any significant internal control issues would be reported to the Board via the Audit Committee. The Audit Committee is informed by reports on the trust's systems and processes prepared by both internal and external auditors and has scrutinised reports during the year to provide assurance to the Board.

e) During 2019/20 reports brought to the attention of the committee for scrutiny included:

- the assurance framework and corporate risk register
- the annual report and accounts
- the corporate governance manual proposed changes to the standing financial instructions and standing orders
- assurance reports from other Board committees
- the draft Quality Account
- reports from internal auditors and external auditors
- counter fraud reports
- overview of conflicts of interests and agreement of changes to the policy

A key area of focus has been the continued review and development of the assurance framework and corporate risk register to ensure the visibility of partnership working. Additional assurance was provided through internal audit reviews. During the year the committee has continued to ensure any changes in relation to review and target dates identified within the corporate risk register have been set against a rationale.

6. Remuneration Committee

a) This committee met once 2019/20 and provided assurance to the Board including an annual report.

b) The committee is chaired by the Chairman of the trust and its members are three Non-Executives Directors. Its role is to oversee and agree the remuneration and terms of service of the Chief Executive, the Executive Directors, together with any staff employed by the trust whose terms of service are not covered by national agreements. It provides advice to the Board on a range of employment issues for all staff e.g. pensions, car schemes and termination of employment. The committee outlined an annual programme and provided an annual report to the Board. The Committee has revised its terms of reference with approval from the Board and will have additional accountabilities for Executive and Non-Executive appointments; therefore will become the Remuneration and Nominations Committee.

7. Safety, Quality and Standards Committee

a) During 2019/20 this committee met eleven times. The committee agreed an annual work programme, produced formal minutes and maintained an action log of open and closed actions. Its formal minutes were provided to the Board, together with verbal reports from the Chair of the committee.

b) This committee is chaired by a Non-Executive Director and its membership comprises two Non-Executive Directors and all Executive Directors, the Deputy Director of Nursing and Quality, the Deputy Director of Corporate Affairs and Governance, the Chief Pharmacist, and the Associate Medical Director for Clinical Effectiveness who has delegated authority for mortality, and Caldicott Guardianship. This committee has highlighted any gaps in assurance to the Board along with proposed action being taken by the Executive.

c) During 2019/20 reports received by the committee for scrutiny included:

- patient stories
- clinical audit and research reports
- review of serious incidents, follow-up actions, duty of candour and deep dive reviews in line with escalating risk
- quality strategy updates
- safeguarding reports, including infection, prevention and control
- quality governance reports (including complaints, incidents, claims and patient experience)
- service area to Board reports on quality indicators (RADaR)
- key performance indicator reports relating to quality and ‘Spotlight’ investigations where targets are not consistently being met
- assurance Framework and Corporate Risk Register reports specifically relating to quality and compliance
- quality impact assessments of QIPP schemes
- external reports on safety and quality and associated action plans, including Freedom to Speak Up (raising concerns) from the Freedom to Speak Up Guardian
- assurance reports relating to the quality improvement CQC plan.

d) The following key areas of focus have also provided further assurance on how the trust will improve risk scores:

- clinical audit and research
- cardiology / rheumatology
- 1:1 enhanced care (safe staffing)
- pressure ulcers (grades 3 and 4)
- medication errors and near misses
- diabetes and endocrinology
- medical staffing
- 62 day cancer (local treatments)
- end of life care
- pressure on A&E flow
- CQC quality improvement plan
- management of long lines
- referral to treatment (specialties below <80%)
- ICU/MIU infrastructure
- acute nurse staffing availability

There has been continued oversight of the national and local priority performance targets relating to access and patient experience, and the management of potential risks using the triangulation of data to support spotlight presentations for these key areas of risk. The committee has also undertaken a self-assessment of its effectiveness and provided an annual report in respect of its achievements.

8. Finance, Performance and Workforce Committee

a) During 2019/20 this committee met ten times, agreed an annual work programme, produced formal minutes and maintained an action log of open and closed actions.

b) Formal minutes were provided to the Board along with verbal updates following each meeting. An annual report was produced and presented to the Audit Committee in May 2019 and subsequently to the Trust Board.

c) This committee is chaired by a Non-Executive Director and its membership comprises a minimum of two Non-Executive Directors and Executive Directors. This committee provides the Board with assurance that national and local standards relating to finance, performance and workforce are being met, and agreed action plans are in place to address any areas of slippage.

Its role also includes providing assurance that:

- systems and controls are in place to enable the trust to meet its statutory duty of sustaining financial balance and delivery against plan;
- there is continued development and timely delivery of the workforce and organisational development strategy and its supporting strategies and plans, and that the workforce plan is aligned to service and financial plans;
- national performance targets are being met, or where this is not possible that the risk is mitigated.

d) During 2019/20 reports received by the committee include:

- QIPP – scrutiny of performance through deep dives into schemes and key business functions
- workforce reports; supporting the development of workforce safeguards and well-being
- equality, diversity and human rights reports
- review of all risks scoring 15 and above and deep dives relating to areas of risk
- reports from the Guardian of Safe Working for Junior Doctors
- performance dashboard reports relating to finance, performance and workforce
- finance reports
- assurance reports on the staff survey and subsequent action plan, self-assessment of the effectiveness of the committee
- benchmarking reports in relation to Carter at Scale/Model Hospital

e) Areas of improvement following committee focus have included, ensuring the trust's financial position is on track to deliver the agreed financial plan, additionally seeking assurance in relation to maintaining positive outcomes from the national staff survey, ensuring agency spend is effectively managed in line with agreed trajectories, and compliance with training trajectories and oversight of staff wellbeing.

9. Clinical Management Board and Executive Management Team Meetings

   a) The Clinical Management Board is not a committee of the Board. It is accountable to me and I report progress to the Trust Board.

   b) The purpose is to enable me to ensure there is clear accountability for clinical engagement and leadership across the organisation for providing assurance that key objectives are being achieved and risks managed in relation to the business and recovery of the organisation.

   c) Weekly executive team meetings were held to support additional focus on strategy, recovery and delivery of key business cases at executive level.

10. The above committee structure supports the trust's approach to integrated governance. This is defined as systems, processes and behaviours by which the trust leads, directs and controls their functions in order to achieve organisational objectives. The trust works continuously to deliver high quality, safe care and to minimise risk and improve at all levels and across all services in the organisation.

Annex 2

Risk assessment process

Trust risk and control framework (risk appetite)

1. There is a systematic process for the identification of risk throughout the organisation which is then documented in operational risk registers/corporate risk register/assurance framework. The risk registers are reviewed monthly in service directorates to ensure risks are being managed effectively in accordance with the Risk Management Strategy evaluation and escalation process. The Risk Management Strategy sets out the leadership roles in respect of risk, including the Executive Lead who is the Director of Corporate Affairs and Governance.

2. The risk evaluation model is based on a grading of impact and likelihood. Risks are then scored against impact and likelihood and either managed locally or escalated to the corporate risk register/assurance framework, which is reviewed and monitored by the Clinical Management Board and committees of the Board as appropriate. Further assurance is provided to the Board which received the corporate risk register and assurance framework four times and the Audit Committee three times during the year.

3. Where the trust has key service level agreements and contracts with other organisations these are monitored via reports through the governance structure.

4. Risk management is further embedded within the trust through service management responsibilities; equality impact assessments are carried out against core business policies, and risk assessments, including quality and equality impacts which are completed on proposed business activities and changes.

5. The public and patients are involved in highlighting risk and bringing this to the attention of the trust in a variety of ways:

   a) Patient satisfaction surveys
   b) Complaints, claims and Patient Advice and Liaison (PALS) concerns
   c) Patient forums

6. The following guidance is set out within the Risk Management Strategy and sets out the actions taken based on the risk assessment and outlines authority to act. Staff are provided with guidance and training in risk management.

Risk Score	Comment / Authority to Act
Very Low and Low risks (1- 8)	Most risks will be graded into these less serious categories and can normally be managed through local action by line managers and be put onto local risk registers.
Moderate risks (9 – 12)	Those risks classed as moderate will be addressed by the clinical director, associate director and general manager supported, if required, by a member of the Governance Team. A risk assessment must be carried out for all identified moderate risks to determine the most appropriate way of dealing with the risk. This will be reported to the appropriate principal group e.g. directorate safety quality and standards committees, Risk Management Sub- Committee.
High risks (15+)	All high risks will be recorded on the Corporate Risk Register by the Deputy Director of Corporate Affairs and Governance and are reported by the Chief Executive to the Board which will approve action plans and monitor progress. The Audit Committee receives information and provides oversight on controls in place.

7. There is an integrated electronic risk management system known as DATIX which is used across the organisation to support the management of risks. Risk assessments including quality impact assessments are recorded on the DATIX system. The Head of Integrated Governance and Head of Safety and Risk provide training and support to staff.

“The staff, they have been incredibly patient and informative in caring for our babies and supporting us as parents. All the staff were brilliant and went above and beyond.”

SPECIAL CARE BABY UNIT

Remuneration and Staff Report

Our employees

The dedication and commitment of our staff is what makes East Cheshire NHS Trust such a special place to work and receive care. We want to make sure that our people priorities reflect what is important to our staff by improving their experiences at work and ensuring they feel valued and supported. In autumn 2019 we consulted with all staff across the organisation to understand how we can make ECT the best place to work. We received a great response with staff sharing why they enjoy working at East Cheshire NHS Trust and what would make it even better. We have also sought and received feedback from a range of health and social care partners. We have used this internal and external feedback to develop our people plan in conjunction with our staff side colleagues.

Our People Plan is a key component of the trust's clinical strategy and puts our staff at the heart of delivering our strategic vision. It is also not a stand-alone document. With an annual implementation plan and governance framework in place, it works alongside - and is supported by - a number of other trust strategies and workstreams; all of which are underpinned by detailed work programmes and improvement plans.

The new People Plan focuses on the following key people priorities: Making ECT the best place to work, urgent action of staff shortages, developing our staff and developing our leadership and management culture.

The Remuneration Committee

The Remuneration Committee is responsible for overseeing and agreeing the remuneration and terms of service of the Chief Executive, executive directors and other directors who are members of the Board, together with any staff employed by the trust whose terms of service are not covered by national agreements. The general responsibilities of the committee are to:

- Discuss and agree appropriate remuneration and terms of service for the Chief Executive, officer members of the Board, and other management staff directly accountable to the Chief Executive not covered by national agreements. Advice to the Board should include all aspects of salary pertaining to the post, provisions for other benefits including pensions and cars, as well as arrangements for the termination of employment and other contractual terms.
- Ensure that decisions are made in accordance with local policy and guidelines issued by NHS Improvement and the Treasury, as appropriate. The trust complies with the remuneration of directors guidelines as set by NHS Improvement.
- Provide scrutiny, review and agree arrangements for termination of employment including proper calculation and scrutiny of termination payments and other contractual terms for staff where executives see the circumstances as novel and unusual; which could impact on the reputation of the organisation, or where the cost of the contractual payments is over £50,000 and all non-contractual severance payments and where exceptional arrangements are made
- Identify to the Board any unusual trends arising from termination of employment information presented to the committee.

Assessment of the performance of senior managers is undertaken via an annual appraisal for each individual. The trust does not currently operate performance-related pay for senior managers.

The annual work programme for the remuneration committee includes a review and benchmarking of executive director and non-executive director salaries, in order to ensure that information remains current and comparative.

All senior managers have a notice period of a minimum of three months.

Non-executive directors are appointed on a tenure of up to four years which may be renewed subject to performance

Any employee termination payments approved by the Remuneration Committee will be in line with NHS Employers “Guidance for Employers within the NHS for Making Severance Payments”. This includes, where relevant, making an application for approval to NHS Improvement.

Remuneration

Consultancy expenditure

The trust's expenditure on consultancy services in 2019/20 was £318k (£144k, 2018/19). These values are shown on page 121 Operating expenses.

Senior managers' service

Very senior managers who served during the year are as follows:

- John Wilbraham, Chief Executive, Appointed: March 2003 (permanent contract)
- Dr John Hunter, Medical Director, Appointed: November 2014 (interim); Appointed: May 2015 (permanent contract)
- Kath Senior, Director of Nursing, Performance & Quality (titled changed to Director of Nursing and Quality January 2019) , Appointed: October 2010 (permanent contract)
- Rachael Charlton, Director of HR & OD, Appointed: May 2011 (permanent contract)
- Julie Green, Director of Corporate Affairs & Governance, Appointed: February 2011 (permanent contract)
- Mark Ogden, Director of Finance, Appointed: August 2015 (fixed-term contract to 22nd June 2016 - thereafter permanent contract applies)
- Jayne Wood Chief Operating Officer, Appointed January 2019 (fixed-term)

Non-executive directors' tenures

- Lynn McGill, Chairman, Appointed: May 2011, Reappointed: Nov 2016
- Ian Goalen, Non-Executive Director, Appointed: September 2012, Reappointed: September 2016
- Mike Wildig, Non-Executive Director, Appointed: November 2013, Reappointed: November 2017
- Dr Peter Madden, Non-Executive Director, Appointed: April 2018
- Tim Shercliff, Non-Executive Director, Appointed: April 2018
- Andrew Smith, Non-Executive Director, Appointed: January 2020
- Ali Harrison, Non-Executive Director, Appointed: July 2013, Reappointed: July 2017, left the trust August 2019
- Dr Anthony Coombs, Non-Executive Director, Appointed: December 2009, Reappointed: December 2017, left the trust November 2019.

Salary and pension benefits of non-executive and executive directors

Name and title	2019/20				2018/19			
	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100	All pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100	All pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)
	£000	£00	£000	£000	£000	£00	£000	£000
Mrs L McGill, Chairman	35-40			35-40	35-40			35-40
Mr A Coombs, Non-Executive Director	0-5			0-5	5-10			5-10
Mr I Goalen, Non-Executive Director	5-10			5-10	5-10			5-10
Ms A Harrison, Non-Executive Director	0-5			0-5	5-10			5-10
Mr MJ Wildig, Non-Executive Director	5-10			5-10	5-10			5-10
Mr PL Madden, Non-Executive Director (started April 2018)	5-10			5-10	5-10			5-10
Charles Shercliff (Non Executive Director)	5-10			5-10				0
Andrew Smith (Non Executive Director)	0-5			0-5				0
Mr JM Wilbraham,Chief Executive	150-155		5.0-7.5	160-165	150-155			150-155
Ms RS Charlton, Director of HR and Organisational Development	110-115		22.5-25	135-140	105-110		0-2.5	105-110
Mrs J Green, Director of Corporate Affairs and Governance	105-110			105-110	105-110			105-110
Dr J Hunter, Medical Director	205-210			205-210	200-205			200-205
Mr M Ogden, Director of Finance	150-155			150-155	145-150			145-150
Ms KM Senior, Director of Nursing, Performance and Quality	115-120		10.0-12.5	125-130	120-125			120-125
Mrs Jayne Wood, Chief Operation Officer (started January 2019)	110-115			110-115	20-25		77.5 -80	100-102

This table has been subject to audit.

Within the figures above, Dr Hunter received salaries and allowances in the band £55,000 - £60,000 (£55,000 - £60,000 in 2018/19) for the clinical duties he undertook during the year 2019/20.

Pension benefits

Name and titles	Real increase / (decrease) in pension at pension age (bands of £2500)	Real Increase / (Decrease) in lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2020 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2019	Real Increase / (Decrease) in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2020	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Mr J Wilbraham, Chief Executive	0-2.5	2.5-5	65-70	200-205	1,488	45	1,590	5.0-7.5
Ms RS Charlton, Director of HR and Organisational Development	0-(2.5)	0-(2.5)	45-50	100-105	818	30	882	22.5-25
Mr M Ogden, Director of Finance	(10)-(12.5)	(35)-(37.5)	35-40	115-120	0	0	0	0
Ms KM Senior, Director of Nursing, Performance and Quality	0-2.5	2.5-5	50-55	150-155	1,132	43	1,219	10.0-12.5
Mrs Jayne Wood, Chief Operations Officer	0-(2.5)	(2.5)-(5.0)	45-50	135-140	1,077	0	1,105	0

This table has been subject to audit.

As non-executive members do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive members. Two directors left the pension scheme in 2018/19. However one director has since rejoined the scheme in March 2020, due to timing the trust was unable to obtain the pension benefits information from the NHS Pensions Agency.

A Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No. 1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

Real increase in CETV - This reflects the increase in CETV effectively funded by the employer.

It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement).

Pay multiples

	2019-20	2018-19
Band of Highest Paid Director's remuneration - Medical Director (£000)	205-210	200-205
Median Total £	£28,358	£28,050
Ratio	7.32	7.2
Range of Remuneration £	£8,078 - £208,841	£6,157 - £211,336

This table has been subject to audit.

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 banded remuneration of the highest paid director in East Cheshire NHS Trust in the financial year 2019-20 was in the band £205k - £210k (£200k - £205k, 2018-19). This was 7.36 times (7.2, 2018-19) the median remuneration of the workforce, which was £28,385 (£28,050, 2018-19).

In 2019-20 no employees received remuneration in excess of the highest paid director (2018-19, one).

Remuneration ranged from £8,078 - £208,841 (2018-19 £6,517 - £211,336).

Total remuneration includes salary, and where relevant 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.

The increase in the pay-multiple in 2019-20 compared to 2018-19 is as a result of the inclusion of agency staff in the calculation and changes in skill mix.

Average number of employees (WTE basis)

	2019/20			2018/19
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	196	12	**208**	212
Ambulance staff	0	-	**0**	2
Administration and estates	299	3	**302**	581
Healthcare assistants and other support staff	681	-	**681**	546
Nursing, midwifery and health visiting staff	760	64	**824**	749
Nursing, midwifery and health visiting learners	-	-	**-**	-
Scientific, therapeutic and technical staff	319	7	**326**	273
Healthcare science staff	-	-	**-**	-
Social care staff	-	-	**-**	-
Other	-	-	**-**	-
Total average numbers	**2,255**	**86**	**2,341**	**2,363**
Of which:				
Number of employees (WTE) engaged on capital projects	3	0	**3**	4

This table has been subject to audit.

Compensation on early retirement for loss of office and payments to past directors and past senior managers

The trust did not make any payments to very senior managers for compensation on early retirement for loss of office, nor were any payments made to past directors or past senior managers

Staff composition

East Cheshire NHS Trust has analysed the number of persons of each sex who were directors and employees of the organisation during 2019-20. As at 31 March 2019, the Trust reported 2,092 female staff members (83.58%), and 411 male staff members (16.42%).

Staff costs

	2019/20			2018/19
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	85,633	-	**85,633**	85,517
Social security costs	8,050	-	**8,050**	8,009
Apprenticeship levy	414	-	**414**	391
Employer's contributions to NHS pensions	13,923	368	**14,291**	9,848
Pension cost - other	30	-	**30**	52
Other post employment benefits	-	-	**-**	-
Other employment benefits	-	-	**-**	-
Termination benefits	-	262	**262**	51
Temporary staff	-	6,578	**6,578**	6,482
Total gross staff costs	108,050	7,208	**115,258**	110,350
Recoveries in respect of seconded staff	-	-	**-**	-
Total staff costs	**108,050**	**7,208**	**115,258**	110,350
Of which:				
Costs capitalised as part of assets	**265**	**-**	**265**	**266**

This table has been subject to audit.

Off-payroll engagements longer than 6 months

	Number
Existing engagements as of 31 March 2019	6
Of which, the number that have existed:	
For less than one year at the time of reporting	4
For between one and two years at the time of reporting	
For between two and three years at the time of reporting	1
For between three and four years at the time of reporting	
For four or more years at the time of reporting	1

New off-payroll engagements

	Number
Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	2
Number of new engagements which include contractual clauses giving the [entity name] the right to request assurance in relation to income tax and National Insurance obligations	7
Number for whom assurance has been requested	7
Of which:	
Assurance has been received	6
Assurance has not been received	1 pending response
Engagements terminated as a result of assurance not being received	0

Off-payroll board member / senior official engagement

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year (1)	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements. (2)	0

Reporting of compensation schemes - exit packages 2019/20

During this period, the trust made payments to support 15 exit packages totalling £532,000. All packages were approved via the trust's Remuneration Committee and NHSI where required.

	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	3	2	**5**
£10,000-£25,000	1	1	**2**
£25,001-£50,000	4	3	**7**
£50,001-£100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
> £200,000	-	1	**1**
Total number of exit packages by type	**8**	**7**	**15**
Total cost (£)	£165,000	£367,000	**£532,000**

This table has been subject to audit.

Reporting of compensation schemes - exit packages 2018/19

During this period, the trust made payments to support 5 exit packages totalling £62,000. All packages were approved via the trust's Remuneration Committee and NHSI where required.

	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	-	-	**-**
£25,001-£50,000	-	-	**-**
£50,001-£100,000	1	-	**1**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
> £200,000	-	-	**-**
Total number of exit packages by type	**1**	**4**	**5**
Total resource cost (£)	£51,000	£11,000	**£62,000**

This table has been subject to audit.

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	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	5	138	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	4	11
Exit payments following employment tribunals or court orders	1	214	-	-
Non-contractual payments requiring HMT approval	1	15	-	-
Total	**7**	**367**	**4**	**11**
of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

This table has been subject to audit.

** As individual exit packages can be made up of several components, each of which listed in this note, the total number of payments listed in this note may exceed the total number of other departures agreed in Note 9 and Note 9.1, which will be the number of individuals.

Resourcing

There have been a number of initiatives aimed at promoting East Cheshire NHS Trust as a great place to work. The trust now has dedicated-career Facebook and Twitter pages and a new recruitment website was launched in July 2019 to advertise vacancies and promote the trust. The Attraction and Retention Manager and the Communications Team have also collaborated in the production of a new recruitment video due to be launched in Spring 2020.

A rolling campaign to recruit more healthcare support workers and increased signposting to training and development opportunities has been successful, with turnover of this staff group reducing significantly. The recruitment of registered nurses remains a challenge and is the single biggest and most urgent gap we need to address.

Recruitment to the registered nursing pool and rolling programme for registered nurses continues. The number of local recruitment events has increased and attendance at regional and university recruitment events by clinical teams has supported the promotion of the trust to a wider audience. The emphasis on 'recruiting for your area by your area' and incorporating value-based recruitment strategies into the selection process contributes to ensuring that the right people are in the right roles.

The 'refer a friend' scheme for registered nurses' positions and student nurse bonus schemes have continued. Targeted recruitment initiatives including the recruitment and retention premia for Emergency Department medical staff has proved successful in reducing vacancies and has now been extended to the Endocrinology Department.

'On- boarding' initiatives for registered nurses aimed at keeping successful candidates engaged throughout the pre-hire period has been streamlined. Candidates who have received a job offer are contacted regularly by the trust, provided with information and invited in to meet their teams prior to starting in post.

The induction and new starter training has also been streamlined, removing duplication of e-Learning and offering flexible options for completing mandatory training online. The creation of an 'on-boarding' platform is being scoped, with input from existing staff.

The trust is part of a national programme to improve retention of staff in the NHS, with initial focus on nursing roles, and is developing its preceptorship offering for newly-qualified nurses. A programme of 'reconnect sessions' is offered to all new nurses; regular meetings with senior nursing staff provides a 'voice' for newly appointed staff and a platform to redress any problems at an early opportunity.

A pilot looking at incorporating the reconnect sessions into the local induction process is underway. A review of the current 'exit' process is also underway to support the retention agenda, encouraging conversations at the point of resignation, exploring career aspirations and alternatives to resignation from the trust. For those areas with hard-to-fill vacancies or high turnover, action plans linked to the retention agenda are in place. This work is a collaboration between the managers, HR lead and Attraction and Retention Manager.

The trust is keen to develop career pathways for clinical staff and is maximising the potential of the apprenticeship levy to support staff to develop into new roles or to undertake higher qualifications. The trust continues to support return to practice schemes and has developed a number of nursing associates.

The Vocational Learning and Development Team continue to engage with school-age children and promote the breadth of careers in health and care, through careers events, interactive workshops and assemblies. In collaboration with Macclesfield College a number of nursing cadets are starting in post. This is a rolling programme that is a good example of promoting the trust as the employer of choice for those from the local community.

Staff engagement

The trust continues to develop engagement, wellbeing and inclusion plans to support better health and wellbeing across the organisation, targeted to address the issues which affect employees the most. We await publication of the NHS Staff Survey results where these plans will identify opportunities to further enhance employee engagement, wellbeing and inclusion.

During 2019/20 demand for our on-site in-house staff counselling service increased. In February 2020 we introduced an Employee Assistance Programme (EAP) to enable staff to access mental and emotional support 24/7, 365 days a year. This is done via a triage system to ensure staff who are most in need have access to face-to-face counselling services.

To support the trust's policy on stress-related illness we are in the process of embedding team and individual stress risk assessments and developing tools such as the "Helping you to help yourself toolkit". The trust has arrangements in place to support employees with musculoskeletal problems by offering fast-track access to physiotherapy; a self-help website and we delivered a back class workshop specifically for staff with existing back conditions. As part of the holistic approach to workforce wellbeing the 'Walking for Wellbeing' initiative continued to introduce staff to the benefits of walking, promoting the link between physical activity and mental wellbeing. The trust ran a series of guided walks, incorporating educational and mindfulness elements.

Further work to improve safety culture and manual handling practice has included investment in slide sheets to a number of wards across the trust to help reduce the risk of staff developing musculoskeletal disorders.

The trust is compliant with requirements under the Equality Act (2010) and on track to deliver the equality components of the quality schedule. The trust completed assessments against the Equality Delivery System (EDS); the Workforce Race Equality Standard (WRES) to review differences in experience and treatment of white staff and BME staff, with a view to 'closing the gap'. The trust completed the first Workforce Disability Equality Standard (WDES) to review the differences between disabled and non-disabled staff.

The trust is required to demonstrate measurable progress, year-on-year, against a number of indicators within an annual report to commissioners. The actions arising from these standards are incorporated into the engagement, wellbeing and inclusion plans. In 2019/20, the trust saw some improvements in the overall WRES position in relation to closing the gaps between the reported experience of BME staff and white staff.

The trust is seeking to expand its membership of the Disability Equality Group (DEG) and encourages both service users and staff members to join.

The trust has an established reward and recognition scheme which includes a Colleague and a Team of the Month award and an annual staff awards celebration in November each year. The trust continues to promote ways of saying thank you and recognise the contribution of staff via the introduction of the "Join Our Team" webpage as part of the attraction and retention agenda and the development of the new HR Direct web pages.

The trust's staff-side organisations have a common objective of ensuring the efficient operation and success of the trust for the benefit of all and agree to work in partnership. 2019/20 saw the introduction of a Partnership Development Manager role which supports the working in partnership agenda. The trust's formal consultation and negotiation body, the Partnership Forum, continues to provide valuable insight in to staff experiences and the development of policies to support them. This representation is critical to our engagement with staff. The trust has a Partnership Forum Development Programme with dedicated development sessions each month to help all colleagues understand and influence the strategic direction of the trust.

The Local Negotiating Committee continues to represent the views of our medical workforce and influences strategy and policy development for these groups of staff. Both the Staff Side Chair and Chair of Local Negotiating Committee (LNC) have regular meetings with the Chief Executive and the Director of HR and Organisational Development. East Cheshire NHS Trust believes that a positive and inclusive approach to employment relations is conducive to the achievement of service and business objectives and high-quality patient care.

Library and Knowledge Service

The purpose of healthcare library and knowledge services is to:

- Provide knowledge and evidence to enable excellent healthcare and health improvement
- Ensure that NHS bodies, staff, learners, patients and the public have the right knowledge and evidence, when and where they need it.

The Library and Knowledge Service annual satisfaction survey shows how trust staff use the information provided by the library and how this supports a range of trust priorities. For the fourth consecutive year, the two main reasons continue to be for professional/personal development and to improve patient care.

The annual staff survey also revealed that for the second consecutive year the resource considered to be the most essential was ‘access to library staff’ closely followed by ‘access to computers’, ‘study space’ and ‘printed books’.

The Library and Knowledge Service continues to improve its service offering.

During 2019/20 key achievements included;

- Extending non-print resources with the introduction of educational games, Lego Serious Play, VR headset and conference call kits to support staff training and development
- Revised and refreshed training programme in response to expressed needs and in line with training offers from other trusts
- Purchase of stock to support staff undertaking courses such as MBA and coaching
- 190 evidence searches to support patient care
- Implementation of the MyCirqa app which enables staff to view their library account from a mobile phone or tablet
- Provision of additional PCs to help with capacity issues, especially to support corporate induction
- Engaging with trust staff through participation in national library/health events such as National Libraries Week, six book challenge, career/recruitment/induction events.


feeling good
YOGA
Allen Carr
The easy way to
lose
MANAGING
STRESS IN THE
WORKPLACE
Get Control of
SUGAR
Now!
Yoga Bible
WELCOME

Organisational development and learning

The trust aims create a culture where coaching is the predominant style for leading, managing and working together, demonstrating our commitment to improving staff experiences and creating a positive working environment. The trust has invested in the development of a cohort of 12 accredited coaches who can help individuals to learn from their experiences by supporting them to build self-confidence, encourage self-reliance, and take greater responsibility for their actions and commitments.

A second cohort will undertake the accredited programme in 2020 and will join our existing coaches on the trust's coaching register, providing all staff with access to a coach should they wish. A one day coaching essentials programme has also been developed which is accessible to all staff and aimed at equipping individuals to use coaching skills and techniques in their everyday working lives.

The trust has continued to grow its offering of leadership and management training for staff aspiring to move into leadership roles and has successfully introduced a number of new development programmes, these include a joint leadership programme with Mid-Cheshire NHS Foundation Trust for consultants and a local Mary Seacole Programme for staff to gain a NHS Leadership Academy Award in Healthcare Leadership. A number of trust staff have also participated in a range of system leadership development opportunities hosted by the Cheshire East Partnership, AQuA and the North West Leadership Academy.

The trust launched its first virtual classroom during 2019, bringing together 30 participants to explore the subject area of unconscious bias. This approach was well received and more sessions are planned during 2020 to provide development in a range of topical areas.

During 2019 the trust was selected to take part in a national pilot facilitated by the NHS Leadership Academy. The trust became an early-adopter of a new online Talent Management Diagnostic Assessment Tool and played a vital role in assessing the diagnostic and its supporting resources to ensure they are fit for purpose in readiness for wider roll-out across England later in 2020. The baseline assessment has provided the trust with valuable information to inform the approach as to how it can support and develop its staff to grow within their roles.

Work continues to improve the trust's appraisal process through the development of a range of online bitesize learning modules that can be accessed at the point of need. Pilot sites for the trust's new appraisal system remain active, with new pilot sites identified for 2020. Work will also continue to strengthen the quality of the appraisal conversation through training and coaching.

NHS Staff Survey and Friends and Family Test

This year the trust achieved a 41.4% completion rate for the annual NHS Staff Survey 2019/2020. As standard, the survey asks staff for their views about working for East Cheshire NHS Trust, with the aim of gathering information that will help to improve the working lives of staff, and so provide better care for patients.

NHS Staff Survey results are significant for the trust as they are used not only by our teams internally, but also by the CQC, NHS Improvement, CCG, media and the general public. They play a pivotal role in determining the success of the trust, from helping patients decide where to receive their care to informing potential job applicants of what it is like to work here.

We continue to work towards our ambition to exceed national average in all ten themes. Survey results from all NHS organisations in England can be accessed here: www.nhsstaffsurveyresults.com

The trust also uses the Staff Friends and Family Test to engage with staff.

2019/20	Q1 Focus on all staff	Q2 Focus on nurses and healthcare assistants	Q3	Q4 Focus on nurses and healthcare assistants
Recommend as a place to receive care	70%	72.4%	Survey not run due to annual staff survey	*
Recommend as a place to work	50%	66%		*

* The NHS staff survey was temporarily suspended due to the coronavirus pandemic, therefore there was no data submission for Quarter 4 2019/20.

Volunteers

At East Cheshire NHS Trust we have a varied volunteering programme offering a range of opportunities in our hospitals and in the community. Volunteers have a big impact on the trust, improving the lives of patients and visitors, as well as easing some of the pressure on staff.

Looking at a patient's journey, we have volunteers providing a warm, informed welcome on both the Welcome Desk and the main reception at Macclesfield Hospital. Other volunteers spend time with patients on the ward – whether this is helping at mealtimes, visiting patients without visitors, or supporting with other tasks where needed. We have several therapy dogs throughout the trust, providing comfort and sometimes an alternative route of communication for some of our more vulnerable patients, visiting both Macclesfield and Congleton hospitals.

We even have a volunteer magician, who performs close-up magic for people on our wards. We also have volunteers who take the time to find out how a patient's experience has been during their visit or stay.

Throughout the trust we also have volunteer support in clinical administration, Trust HQ, training and also volunteers supporting the volunteering team.

Volunteering not only benefits the trust, it also helps our volunteers. It might be that feeling of positivity we experience when giving something back to the community or it may be something more specific like improving a CV or setting someone apart from others in university applications.

In the last two months we have "lost" three volunteers – they have been successful in securing paid employment in the areas in which they were volunteering.

The Chaplaincy and Spiritual Care Team is also supported by a team of just under 100 volunteers from the local churches within the surrounding area from a number of different faiths. Together they are united with one clear objective to deliver confidential, spiritual, religious and pastoral care to all who require their support.

We really value our volunteers, this is shown both on the ground where volunteers spend their time and also through our quarterly coffee mornings and our annual Volunteer Thank You event which is the highlight of our calendar.

We welcome applications from anyone over the age of 16. You can find out more by attending one of our volunteer information sessions which take place once a month or by emailing the team directly via ecn-tr.volunteering@nhs.net

You will be supported through the application process and we work hard to ensure that you are matched with the right role for you, while meeting the needs of the trust.

We would like to thank our partners, organisations that we work closely with: The League of Friends, Royal Voluntary Service, The Macmillan Centre, Macclesfield Bereavement Support Service, Community and Voluntary Service Cheshire East, Reach Out and Recover, Cheshire East Supported Employment Service and our local education providers.


EAT LEAN

“The care and kindness was outstanding. I cannot think of any criticism at all. Efficiency of all aspects, far exceeded my expectations.”

CORONARY CARE UNIT

Financial Statements

Introduction to East Cheshire NHS Trust's Financial Statements

East Cheshire NHS Trust is a corporate body established by the Secretary of State for Health under section 25 (1) of the NHS Act 2006 to provide healthcare to the general population. NHS trusts are subject to the directions of the Department of Health and Social Care. These financial statements were authorised for issue by the NHS Trust's Board of Directors on 18th June 2020.

Introduction

The trust is pleased to have ended the financial year £0.1m ahead of its financial control total set by NHS Improvement, with a NHSI adjusted surplus of £50k.

The trust continues to work closely with Eastern Cheshire CCG and other partners on the transformation programmes to improve the service delivery and financial sustainability of services across Eastern Cheshire. It is also working together with Cheshire and Mersey partners as part of a wider geographical footprint. 2019/20 performance is outlined below:

Performance area	Objective	Outcome
Financial Risk Rating	Achieve overall financial risk rating of a 3	Achieved
Income and expenditure	Meet control total of £5.061m including finance PSF and FRF Meet control total of £23.006m excluding PSF funding	Achieved
External financing limit	Managing within the cash limit agreed with the Department of Health and Social Care	Achieved
Capital resource limit	Managing capital expenditure within the capital resource limits agreed with the Department of Health and Social Care	Achieved
Capital cost absorption rate	Making at least 3.5% return on the trust net relevant assets	Not achieved as in net liability position
Cost improvement programme	Deliver identified efficiency schemes	Achieved

Foreword to the 2019/20 Accounts

Financial Performance

East Cheshire NHS Trust has delivered a NHSI-reported position of £50k surplus in 2019/20. This is £5.111m better than the trust's control total (including finance PSF and FRF) of £5.061m.

The trust has met its statutory External Finance Limit and Capital Resource Limit targets. This means that it has achieved its cash and capital targets. It also met its financial risk rating target, delivering a risk rating of 3.

Accounting Policies

The accounts have been prepared under the appropriate HM Treasury, Department of Health and Social Care and accounting standards direction.

Going Concern Basis

The trust continues to prepare its accounts as a going concern. The Trust is adhering to the 2020/21 financial regime as advised nationally by NHSE/I. It is confirmed that a block contract arrangement is in place for the first four months of the year.

Events after the Reporting Date

On 2nd April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for 2020/21 financial year.

During 2020/21 existing DHSC interim revenue and capital loans outstanding as at 31st March 2020 will be replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. This relates to liabilities that existed at 31st March 2020, DHSC advise this is considered as a non-adjusting event after the reporting period for providers.

As at 31st March 2020 the trust has outstanding loans to the value of £85.939 million (includes £182k interest), which will be repayable within 12 months.

Related Party Disclosures

There is one director with related party disclosures (note 36).

CEO's responsibilities as the Accountable Officer of the trust

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust. The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance
- value for money is achieved from the resources available to the trust
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them
- effective and sound financial management systems are in place and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the 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 my letter of appointment as an Accountable Officer.

Signed:

John Wilbraham
Chief Executive
Date: 22nd June 2020

Directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, other items of comprehensive income and cash flows for the year.

In preparing those accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief that have complied with the above requirements in preparing the accounts.

The directors 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 trust's performance, business model and strategy.

By order of the Board

Signed:

John Wilbraham
Chief Executive
Date: 22nd June 2020

Signed:

Mark Ogden
Finance Director
Date: 22nd June 2020

Statement of Comprehensive Income

	Note	2019/20	2018/19
		£000	£000
Operating income from patient care activities	4	**142,929**	137,557
Other operating income	5	**33,777**	22,712
Operating expenses	7,9	**(176,362)**	(177,126)
Operating surplus (deficit) from continuing operations		**344**	(16,857)
Finance income	12	**127**	78
Finance expenses	13	**(1,272)**	(1,040)
Net finance costs		**(1,145)**	(962)
Surplus / (deficit) for the year from continuing operations		**(801)**	(17,819)
Surplus / (deficit) for the year		**(801)**	(17,819)

Other comprehensive income

Will not be reclassified to income and expenditure:			
Impairments	8	**111**	(4)
Revaluations	18	**1,372**	60
Other reserve movements		**-**	305
Total comprehensive expense for the year		**682**	(17,458)

Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		**(801)**	(17,819)
Remove net impairments not scoring to the Departmental expenditure limit		**1,093**	3,231
Remove I&E impact of capital grants and donations		**111**	116
Remove 2018/19 post audit PSF reallocation (2019/20 only)		**(353)**	
Adjusted financial performance surplus / (deficit)		**50**	(14,472)

The Trust has exceeded its 2019/20 NHS Improvement planned financial control total of £5.061 million deficit by £5.111 million, giving a closing balance of £50k surplus.

The notes on pages 100 - 140 form part of these accounts.

Statement of Financial Position

	Note	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Intangible assets	14	**958**	738
Property, plant and equipment	15	**49,997**	49,755
Receivables	20	**371**	313
Total non-current assets		**51,326**	50,806
Current assets			
Inventories	19	**1,657**	1,738
Receivables	20	**22,486**	17,676
Cash and cash equivalents	22	**11,381**	9,463
Total current assets		**35,861**	28,877
Current liabilities			
Trade and other payables	23	**(16,935)**	(14,699)
Borrowings	24.1	**(86,439)**	(41,876)
Provisions	26	**(4,375)**	(5,055)
Other liabilities	24	**(583)**	(471)
Total current liabilities		**(108,669)**	(62,101)
Total assets less current liabilities		**(21,482)**	17,582
Non-current liabilities			
Borrowings	24.1	**(324)**	(40,301)
Provisions	26	**(4,157)**	(4,254)
Total non-current liabilities		**(4,481)**	(44,555)
Total assets employed		**(25,963)**	(26,973)

Financed by			
Public dividend capital		**39,927**	39,599
Revaluation reserve		**3,577**	2,131
Income and expenditure reserve		**(69,467)**	(68,703)
Total taxpayers' equity		**(25,963)**	(26,973)

The notes on pages 100 - 140 form part of these accounts.

Signed:

John Wilbraham
Chief Executive
Date: 22nd June 2020

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**39,599**	**2,131**	**(68,703)**	**(26,973)**
Surplus/(deficit) for the year	**-**	**-**	**(801)**	**(801)**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	**-**	**(37)**	**37**	**-**
Impairments	**-**	**111**	**-**	**111**
Revaluations	**-**	**1,372**	**-**	**1,372**
Public dividend capital received	**328**	**-**	**-**	**328**
Taxpayers' and others' equity at 31 March 2020	**39,927**	**3,577**	**(69,467)**	**(25,963)**

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2018 - brought forward	39,460	2,095	(50,904)	(9,349)
Impact of implementing IFRS 15 on 1 April 2018	-	-	(305)	(305)
Surplus/ (Deficit) for the year	-	-	(17,819)	(17,819)
Other transfers between reserves	-	(20)	20	-
Impairments	-	(4)	-	(4)
Revaluations	-	60	-	60
Public dividend capital received	139	-	-	139
Other reserve movements	-	-	305	305
Taxpayers' equity at 31 March 2019	39,599	2,131	(68,703)	(26,973)

The notes on pages 100 - 140 form part of these accounts.

Statement of Cash Flows

	Note	2019/20	2018/19
		£000	£000
Cash flows from operating activities			
Operating surplus/ (deficit)		**344**	(16,857)
Non-cash income and expense:			
Depreciation and amortisation	7.1	**3,721**	3,814
Net impairments	8	**1,093**	3,231
Income recognised in respect of capital donations	5	**(24)**	(30)
(Increase) / decrease in receivables and other assets		**(4,868)**	(1,947)
(Increase) / decrease in inventories		**81**	(389)
Increase / (decrease) in payables and other liabilities		**1,715**	(1,568)
Increase / (decrease) in provisions		**(789)**	1,602
Net cash flows from / (used in) operating activities		**1,273**	(12,144)
Cash flows from investing activities			
Interest received		**127**	78
Purchase of intangible assets		**(244)**	(81)
Purchase of PPE and investment property		**(3,458)**	(3,632)
Proceeds from sales of property, plant equipment and investment property		**566**	-
Net cash generated from / (used in) investing activities		**(3,009)**	(3,635)
Cash flows from financing activities			
Public dividend capital received		**328**	139
Movement on loans from the DHSC		**5,061**	19,233
Capital element of finance lease rental payments		**(476)**	(452)
Interest on loans		**(1,217)**	(924)
Interest paid on finance lease liabilities		**(42)**	(67)
Net cash generated from / (used in) financing activities		**3,654**	17,929
Increase / (decrease) in cash and cash equivalents		**1,918**	2,150
Cash and cash equivalents at 1 April - brought forward		**9,463**	7,313
Cash and cash equivalents at 31 March	22	**11,381**	9,463

The notes on pages 100 - 140 form part of these accounts.

Notes to the accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care 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

The Trust has prepared its accounts on a going concern basis. This is as directed by the GAM 2019/20, whereby unless the Trust expects that its services will cease to be provided to the public sector, the going concern basis for the preparation of the financial statements is assumed. Furthermore, the Trust's Statement of Financial Position shows total net liabilities as at 31 March 2020. No notification has been received from NHS England / Improvement (NHSE/I) that the application of the going concern basis is inappropriate for the Trust.

However, the Trust recognises that there are operational and funding factors that represent material uncertainties with regard to the adoption of the going concern basis for preparation of the accounts. These are:

- The Trust reported a £50k surplus at the end of 2019/20. The planned deficit was £5.1m, however the Trust improved it's forecast outturn position by £0.5m and received additional incentive FRF of £4.6m in month 12. However, the underlying deficit situation in future years remains unchanged
- On 2nd April 2020, the Department of Health and Social Care (DHSC) and NHS England / Improvement announced reforms to the NHS cash regime for 2020/21. During 2020/21 existing DHSC interim revenue and capital loans as at 31st March 2020 will be replaced with the issue of Public Dividend Capital (PDC). This is treated as a non-adjusting post balance sheet event for the 2019/20 accounts as per the DHSC GAM. However, the DHSC instructed the Trust to reclassify the affected loans totalling £85.939 million (including £182k interest) as current liabilities within these financial statements
- The Trust reached a net liability position during the 2017/18 financial year which continued in 2019/20. It is anticipated the situation will not continue in 2020/21 as the Trust statement of financial position will be in a positive net asset position as a result of the DHSC loans being replaced with PDC
- Financing arrangements for 2020/21 - NHSE/I have confirmed block income arrangements for the first six months of 2020/21 with top up payments and covid pandemic cost reimbursement

NHSE/I have confirmed annual planning is suspended for 2020/21 as a result of the covid pandemic.

- The Trust will be updated on an ongoing basis by NHSE/I with regard to the financial regimes to be put in place for 2020/21 while the covid pandemic is being dealt with nationally

These are mitigated by:

- NHSE/I have confirmed block income arrangements the first six months of 2020/21
- A track record of achievement of challenging efficiencies programmes, with £4.0m delivered in 2019/20. However £2m was delivered non-recurrently
- The Trust continues to be actively engaged in local strategic transformation planning with health economy partners to develop system wide models anticipated to deliver sustainable healthcare in future years
- The Trust has the appropriate financial and operational risk management processes in place to support its operational plans

Therefore, although these factors represent material uncertainties that may cast significant doubt about the Trust's ability to continue as a going concern, the Board, having made appropriate enquiries, still have reasonable expectation that the Trust will have adequate resources to continue its operational existence for the foreseeable future, being a period of at least twelve months from the date of approval of the financial statements. On this basis, the Trust has adopted the going concern basis for preparing the financial statements and has not included the adjustments that would result if it was unable to continue as a going concern.

Note 1.3 Interests in other entities - joint operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the gains and losses, assets, liabilities, income and expenditure.
The Trust undertakes joint operations in conjunction with Vernova Healthcare Community Interest Company but the activities are not performed through a separate entity. The details are given in note 2.

Note 1.4 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.

Note 1.4.1 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. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

Note 1.4.2 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 performance obligations are satisfied. In practical terms this means that treatment has been given, 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.

Note 1.4.3 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 1.5 Other forms of income

Note 1.5.1 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 1.6 Expenditure on employee benefits

Note 1.6.1 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 Trust's policy is that employees are required to take all of their leave due in the financial year. As such, there is no recognition in the financial statements for leave carried forward to the following financial year.

Note 1.6.2 Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period. The contributions are charged to operating expenses as and when they are 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 1.7 Expenditure on other goods and services

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

1.8 Property, plant and equipment

1.8.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control
- 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
- Staff costs are also capitalised where they have contributed a significant amount of their role to capital projects

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

1.8.2 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.

Note 1.9 Measurement

Note 1.9.1 Valuation

A full five yearly revaluation exercise was carried out between December 2109 and January 2020. All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

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

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

Note 1.9.2 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.

Note 1.9.3 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'.

Note 1.9.4 Impairments

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

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

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

Note 1.9.5 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.
Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.9.6 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.

Note 1.9.7 Useful lives of property, plant and equipment

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

	Min life	Max life
	Year	Years
Buildings, excluding dwellings	4	83
Dwellings	21	22
Plant & machinery	5	15
Transport equipment	7	12
Information technology	3	6
Furniture & fittings	5	14

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.10 Intangible assets

Note 1.10.1 Recognition

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

Note 1.10.2 Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Note 1.10.3 Software

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

Note 1.10.4 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 under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

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

1.10.5 Amortisation

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

Useful lives of intangible assets

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

	Min Life Years	Max Life Years
Software licences	2	7

Note 1.11 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. As a result of the Covid-19 pandemic the Trust was unable to carry out the full annual stocktake. Therefore a combined approach was taken where stock values that had been counted were included and stocks that had not been counted were estimated based on 2019 balances.

Note 1.12 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 three 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 1.13 Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Note 1.14 Financial assets and financial liabilities

Note 1.14.1 Recognition

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

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

Note 1.14.2 Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques. Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Note 1.14.3 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.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Note 1.14.4 Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Note 1.14.5 Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, 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 one) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage two).

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

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

Note 1.14.6 Derecognition

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

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

Note 1.15 Leases

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

Note 1.15.1 The Trust as a lessee

Finance leases

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

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

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

Operating leases

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

Leases of land and buildings

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

Note 1.15.2 The Trust as a lessor

Finance leases

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

Operating leases

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

Note 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. 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 for 31 March 2020:

		Nominal rate
Short-term	Up to 5 years	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

		Inflation rate
	Year 1	1.90%
	Year 2	2.00%
	Into perpetuity	2.00%

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

Note 1.16.1 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 27 but is not recognised in the Trust's accounts.

Note 1.16.1 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 27 but is not recognised in the Trust's accounts.

1.16.2 Non-clinical risk pooling

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

Note 1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 28 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 28, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

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

Note 1.18 Public dividend capital

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

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

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for
(i) donated and grant funded assets,
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable.

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

Note 1.19 Value added tax

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

Note 1.20 Corporation tax

The Trust is not liable for corporation tax therefore has no corporation tax liability

Note 1.21 Foreign exchange

The functional and presentational currency of the Trust is sterling.

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

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items 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 1.22 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM. Details are provided in note 22.1

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis , including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums 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 1.23 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 1.24 Transfers of functions [to / from] [other NHS bodies / local government bodies]

For functions that have been transferred to the Trust from another NHS / local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

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

Note 1.25 Critical judgements in applying accounting policies

Management has not made any judgement decisions, apart from those involving estimations (see below) in the process of applying the Trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Note 1.26 Sources of estimation uncertainty

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

Professionally qualified independent valuers Cushman & Wakefield (C&W) made a site visit to undertake a full site valuation (estimated financial value and estimated remaining useful life) as at 31st March 2020 of the Trust's land and building assets , applying a Modern Equivalent Asset method of valuation for an optimised building and alternate site with regards to land. The Trust considers that in line with the GAM this is an appropriate basis. More detail of the valuation and the carrying amounts of the Trust's Land and Buildings is included in note 15. The valuer declared a material valuation uncertainty in the valuation report. This is on the basis of uncertainties in markets caused by covid pandemic.

At each year end, the Trust accounts for income in respect of partially completed spells. This income is an estimate based on the patients specialty and length of stay at 31 March 2020 (excess bed days are also calculated using an average trim point for each specialty). This income crystallises when a patient is discharged and the full details of charge to the commissioner can be confirmed. The accounts include £682k in respect of partially completed spells (2018/19: £1,063k). The Trust recognises the values are not material.

The payment rules regarding maternity pathways changed in 2013/14. Commissioners now make one payment per pregnancy covering the entire antenatal pathway at the point at which the woman first presents for treatment. The pre-payment of the care pathway still to be completed at the end of the reporting period is reflected as deferred income in the Trust's accounts. The value of these 'services not yet rendered' at the year end is £381k (2018/19: £422k) and has been estimated based on a weighted factor applied to the income received informed by the women's remaining pregnancy term at the year end. The Trust recognises the values are not material.

Note 1.27 Impact of Covid-19

Note 1.27.1 Full Site Valuation - Material valuation uncertainty due to Novel Coronavirus (Covid-19)

The full valuation exercise was carried out between December 2019 - January 2020 with a valuation date of 31st March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standard 2020 (Red Book) the valuer declared a material valuation uncertainty in the valuation report. This is on the basis of uncertainties in markets caused by the covid pandemic.

With regard to the inclusion of the material valuation uncertainty clause this is standard throughout the industry and is in accordance with RICS guidance. The Trust is of the opinion that the uncertainty associated with valuing the Trusts's property assets is lower than for other asset classes for the following reasons:-

- All properties were inspected in advance of the Covid-19 lockdown
- 100% of the value of the property assets owned by the Trust are specialised properties, therefore values on a depreciated replacement cost basis
- It is not anticipated that Covid-19 will impact NHS property values at it will other property sectors
- The valuation is based on the Building Construction Industry Standards (BCIS) 'All in' TPI published on
- 31st March 2020, and was therefore the most current information available as at the valuation date
- The land was valued was reviewed by C&W professional valuers as at 31st March 2020, and therefore represents current value
- The Trust will regularly review the valuation of these properties

Note 1.27.2 2020/21 operational annual planning

NHSE/I have confirmed annual planning is suspended for 2020/21 as a result of the covid 19 pandemic. The Trust will be updated on an ongoing basis by NHSE/I with regard to the financial regimes to be put in place for 2020/21 while the covid 19 pandemic is being dealt with nationally.

Note 1.28 Early adoption of standards, amendments and interpretations

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

Note 1.29 Standards, amendments and interpretations in issue but not yet effective or adopted

Note 1.29.1 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 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.

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.

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 2021 for existing finance leases.

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

However the adoption of IFRS 16 is not expected to have a material impact in the Trust's financial performance.

2 Joint Operations

Joint operations are activities undertaken by the Trust in conjunction with Vernova Healthcare Community Interest Company but which are not performed through a separate entity. The Trust records its share of the income and expenditure, gains and losses, assets and liabilities and cash flows. The operations commenced trading in December 2013.

The Trust's share of the income and expenditure handled by the shared operation in the financial year were:

	2019/20	2018/19
	£000	£000
Revenue	**152**	145
Expenditure	**166**	163
Liabilities	**5**	13

Note 3 Operating Segments

The Trust reports its financial position as a single segment of healthcare. This is because the Trust identifies the Trust Board (which includes all Executive and Non-Executive Directors) as the Chief Operating Decision Maker ("CODM") as defined by IFRS 8 - Operating Segments. Monthly operating results for the whole Trust are reported to the Trust Board. The financial position of the Trust is reported, along with projections for future performance and position, for the whole Trust rather then as component parts making up the whole. The Trust's external reporting to NHSI is on a whole Trust basis, which also implies the Trust operates as a single segment.

All decisions affecting the Trust's future direction and viability are made on the basis of the overall total financial performance presented to the Board. The Trust is therefore satisfied that the reporting of the financial position as a single segment, namely healthcare, is appropriate and consistent with the principles of IFRS 8.

Note 4 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 4.1 Income from patient care activities (by nature)

	2019/20	2018/19
	£000	£000
Elective income	**16,382**	15,998
Non elective income	**36,603**	30,672
First outpatient income	**9,571**	9,473
Follow up outpatient income	**7,114**	6,761
A & E income	**7,893**	6,804
High cost drugs income from commissioners (excluding pass-through costs)	**5,436**	6,199
Other NHS clinical income	**25,249**	26,793
Community services income from CCGs and NHS England	**27,421**	26,918
Income from other sources (e.g. local authorities)	**1,518**	5,175
Private patient income	**122**	129
Agenda for Change pay award central funding*	**-**	1,468
Additional pension contribution central funding**	**4,379**	-
Other clinical income	**1,241**	1,167
Total income from activities	**142,929**	137,557

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

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

Note 4.2 Income from patient care activities (by source)

	2019/20	2018/19
	£000	£000
Income from patient care activities received from:		
NHS England	**12,831**	9,522
Clinical commissioning groups	**126,943**	119,886
Department of Health and Social Care	**50**	1,478
Other NHS providers	**186**	324
NHS other	**140**	139
Local authorities	**2,024**	5,602
Non-NHS private patients	**122**	129
Non-NHS overseas patients (chargeable to patient)	**19**	18
Injury cost recovery scheme	**540**	420
Non-NHS other	**74**	39
Total income from activities	**142,929**	137,557
Of which:		
Related to continuing operations	**142,929**	137,557

4.3 Overseas visitors (relating to patients charged directly by the provider)

	2019/20	2018/19
	£000	£000
Income recognised this year	**19**	18
Cash payments received in-year	**7**	5
Amounts added to provision for impairment of receivables	**-**	23

Note 5 Other operating income

	2019/20			2018/19		
	Contract Income	Non-contract Income	Total	Contract Income	Non-contract Income	Total
	£000	£000	£000	£000	£000	£000
Research and development	443	-	443	353	-	353
Education and training	3,884	183	4,067	3,948	155	4,103
Non-patient care services to other bodies	254		254	211		211
Provider sustainability fund (PSF)	3,491		3,491	9,391		9,391
Financial recovery fund (FRF)	19,417		19,417			
Income in respect of employee benefits accounted on a gross basis	-		-	250		250
Receipt of capital grants and donations		24	24		30	30
Other income	6,081	-	6,081	8,374	-	8,374
Total other operating income	33,570	207	33,777	22,527	185	22,712
Of which:						
Related to continuing operations			33,777			22,712

Note 6 Additional information on contract revenue (IFRS 15) recognised in the period

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	456	458

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 7 Operating expenses

Note 7.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	**2,380**	3,058
Purchase of healthcare from non-NHS and non-DHSC bodies	**1,206**	809
Staff and executive directors costs	**115,003**	110,084
Remuneration of non-executive directors	**78**	69
Supplies and services - clinical (excluding drugs costs)	**13,188**	13,618
Supplies and services - general	**6,924**	8,689
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	**10,552**	12,142
Consultancy costs	**318**	144
Establishment	**2,205**	2,445
Premises	**7,257**	6,664
Transport (including patient travel)	**298**	39
Depreciation on property, plant and equipment	**3,479**	3,433
Amortisation on intangible assets	**242**	381
Net impairments	**1,093**	3,231
Movement in credit loss allowance: contract receivables / contract assets	**520**	224
Change in provisions discount rate(s)	**230**	(56)
Audit fees payable to the external auditor		
audit services- statutory audit	**68**	57
other auditor remuneration (external auditor only)	**0**	7
Internal audit costs	**96**	108
Clinical negligence	**7,633**	7,764
Legal fees	**351**	454
Insurance	**56**	63
Education and training	**571**	529
Rentals under operating leases	**1,907**	2,330
Car parking and Security	**-**	-
Hospitality	**5**	4
Other	**702**	836
Total	**176,362**	177,126
Of which:		
Related to continuing operations	**176,362**	177,126

Note 7.2 Other auditor remuneration

	2019/20	2018/19
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	**0**	7
Total	**0**	7

In 2019/20 and 2018/19, there were no services provided by external auditors, Grant Thornton, other than the statutory audit for the Trust's Annual Accounts and the Quality Accounts (2018/19 only). The cost of auditing the Annual Accounts and report is shown under 'Audit services - statutory audit' in note 7.1 and the Quality Account fee is shown under 'Other auditor remuneration' in note 7.2.

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £5m (2018/19: £5m).

Note 8 Impairment of assets

	2019/20	2018/19
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	1,093	870
Other	-	2,361
Total net impairments charged to operating surplus / deficit	**1,093**	3,231
Impairments charged to the revaluation reserve	**(111)**	4
Total net impairments	**982**	3,235

The Trust instructed its professional valuers, Cushman and Wakefield, to undertake a full valuation of its land and buildings as at 31 March 2020. This resulted in a net impairment of £1,093k in respect of the Trust's building portfolio.

Note 9 Employee benefits

	2019/20	2018/19
	Total	Total
	£000	£000
Salaries and wages	**85,633**	85,517
Social security costs	**8,050**	8,009
Apprenticeship levy	**414**	391
Employer's contributions to NHS pensions	**14,291**	9,848
Pension cost - other	**30**	52
Other post employment benefits	**10**	-
Termination benefits	**262**	51
Temporary staff (including agency)	**6,578**	6,482
Total staff costs	**115,268**	110,350
Of which		
Costs capitalised as part of assets	**265**	266

Note 9.1 Retirements due to ill-health

During 2019/20 there were no early retirements from the Trust agreed on the grounds of ill-health (one in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £0k (£117k in 2018/19).

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

Note 10 Pension costs

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

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

a) Accounting valuation

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

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

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.

Those employees who are not eligible for the NHS Pension Scheme and who fit specific criteria are automatically enrolled into the alternative pension scheme, National Employment Savings Trust ("NEST"). Current combined Employee and Employer Contributions are £96k per annum (2018/19: £52k per annum).

c) NHS and McCloud

NHS Pensions are still assessing the impact of the McCloud judgement in relation to changes to benefits in 2015. The benefits and related Cash Equivalent Transfer Values (CETV) disclosed do not allow for any potential future adjustments that may arise from this judgment. During the year, the Government announced that Public Sector pension schemes will be required to provide indexation on the guaranteed minimum pension element of the pension. NHS Pensions has update the methodology to calculate the CETV values as at 31st March 2020. The impact in the change in methodology is included within the reported real increase in CETV for the year.

Note 11 Operating leases

Note 11.1 East Cheshire NHS Trust as a lessee

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	**1,907**	2,330
Total	**1,907**	2,330

	Buildings	Other	31 March 2020	31 March 2019
	£000	£000	£000	£000
Future minimum lease payments due:				
- not later than one year;	**1,509**	**194**	**1,703**	1,777
- later than one year and not later than five years;	**5,864**	**382**	**6,246**	6,448
- later than five years.	**11,996**	**-**	**11,996**	13,054
Total	**19,369**	**576**	**19,945**	21,279

The main operating leases held by the Trust relate to the lease of buildings at the Macclesfield site.

Note 12 Finance income

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

	2019/20	2018/19
	£000	£000
Interest on bank accounts	**127**	78
Total finance income	**127**	78

Note 13 Finance expenditure

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	**1,218**	970
Finance leases	**42**	65
Total interest expense	**1,260**	1,035
Unwinding of discount on provisions	**12**	5
Total finance costs	**1,272**	1,040

Note 13.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

In 2019/20, there were no payments made by the Trust relating to the late payment of commercial debts (2018/19: £0K).

Note 14 Intangible assets - 2019/20

	Software Licenses	Intangible Assets Under Construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**5,215**	**43**	**5,258**
Additions	**462**	**-**	**462**
Reclassifications	**43**	**(43)**	**-**
Disposals / derecognition	**(26)**	**-**	**(26)**
Valuation / gross cost at 31 March 2020	**5,694**	**-**	**5,694**
Amortisation at 1 April 2019 - brought forward	**4,520**	**-**	**4,520**
Provided during the year	**242**	**-**	**242**
Disposals / derecognition	**(26)**	**-**	**(26)**
Amortisation at 31 March 2020	**4,736**	**-**	**4,736**
Net book value at 31 March 2020	**958**	**-**	**958**
Net book value at 1 April 2019	**695**	**43**	**738**

Note 14.1 Intangible assets - 2018/19

	Software Licenses	Intangible Assets Under Construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	5,173	-	5,173
Valuation / gross cost at 1 April 2018 - restated	5,173	-	5,173
Additions	42	43	85
Valuation / gross cost at 31 March 2019	5,215	43	5,258
Amortisation at 1 April 2018 - as previously stated	4,139	-	4,139
Amortisation at 1 April 2018 - restated	4,139	-	4,139
Provided during the year	381	-	381
Amortisation at 31 March 2019	4,520	-	4,520
Net book value at 31 March 2019	695	43	738
Net book value at 1 April 2018	1,034	-	1,034

Note 15 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	4,290	38,218	31	299	17,677	55	7,127	1,485	69,182
Additions	-	1,810	-	-	1,164	-	843	80	3,897
Impairments	(24)	(111)	-	-	-	-	-	-	(135)
Reversals of impairments	-	246	-	-	-	-	-	-	246
Revaluations	63	(1,079)	-	-	-	-	-	-	(1,016)
Reclassifications	-	15	-	(293)	-	-	278	-	-
Disposals / derecognition	-	(574)	-	-	(443)	(31)	(24)	(2)	(1,074)
Valuation/gross cost at 31 March 2020	4,329	38,525	31	6	18,398	24	8,224	1,563	71,100
Accumulated depreciation at 1 April 2019 - brought forward	-	201	5	-	13,674	42	4,549	956	19,427
Provided during the year	-	1,359	2	-	1,154	12	874	78	3,479
Impairments	-	2,277	-	-	-	-	-	-	2,277
Reversals of impairments	-	(1,184)	-	-	-	-	-	-	(1,184)
Revaluations	-	(2,388)	-	-	-	-	-	-	(2,388)
Disposals / derecognition	-	(9)	-	-	(443)	(30)	(24)	(2)	(508)
Accumulated depreciation at 31 March 2020	-	256	7	-	14,385	24	5,399	1,032	21,103
Net book value at 31 March 2020	4,329	38,269	24	6	4,013	-	2,825	531	49,997
Net book value at 1 April 2019	4,290	38,017	26	299	4,003	13	2,578	529	49,755

Note 15.1 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construc-tion	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2018 - as previously stated	4,290	40,943	31	618	16,562	55	5,902	1,321	69,722
Valuation / gross cost at 1 April 2018 - restated	4,290	40,943	31	618	16,562	55	5,902	1,321	69,722
Additions	-	1,748	-	292	1,115	-	614	164	3,933
Impairments	-	(4)	-	-	-	-	-	-	(4)
Revaluations	-	(4,469)	-	-	-	-	-	-	(4,469)
Reclassifications	-	-	-	(611)	-	-	611	-	-
Valuation/gross cost at 31 March 2019	4,290	38,218	31	299	17,677	55	7,127	1,485	69,182
Accumulated depreciation at 1 April 2018 - as previously stated	-	159	3	-	12,621	39	3,592	878	17,292
Accumulated depreciation at 1 April 2018 - restated	-	159	3	-	12,621	39	3,592	878	17,292
Provided during the year	-	1,340	2	-	1,053	3	957	78	3,433
Impairments	-	3,330	-	-	-	-	-	-	3,330
Reversals of impairments	-	(99)	-	-	-	-	-	-	(99)
Revaluations	-	(4,529)	-	-	-	-	-	-	(4,529)
Accumulated depreciation at 31 March 2018	-	201	5	-	13,674	42	4,549	956	19,427
Net book value at 31 March 2019	4,290	38,017	26	299	4,003	13	2,578	529	49,755
Net book value at 1 April 2018	4,290	40,784	28	618	3,941	16	2,310	443	52,430

Note 16 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020									
Owned - purchased	4329	37,284	24	15	2,983	-	2,825	504	47,964
Finance leased	-	-	-	-	870	-	-	-	870
Owned - donated	-	970	-	6	160	-	-	27	1,163
NBV total at 31 March 2020	4,329	38,254	24	21	4,013	-	2,825	531	49,997

Note 16.1 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	4,290	37,069	26	299	2,458	13	2,573	497	47,225
Finance leased	-	-	-	-	1,317	-	-	-	1,317
Owned - donated	-	948	-	-	228	-	5	32	1,213
NBV total at 31 March 2019	4,290	38,017	26	299	4,003	13	2,578	529	49,755

Note 17 Donations of property, plant and equipment

Assets totalling £33k (2018/19: £30k) were donated to the Trust by East Cheshire NHS Trust Charitable Fund.

Note 18 Revaluations of property, plant and equipment

The Trust instructed its professional valuers, Cushman and Wakefield, to undertake a full valuation of its land and buildings as at 31 March 2020. This was performed in accordance with the guidance from the Royal Institute of Chartered Surveyors (RICS) applicable from 1st January 2019, which incorporates the International Valuation Standards and the RICS UK Valuation Standards (the RICS Red Book). This resulted in a increase of £390k in respect of the Trust's buildings portfolio, with an increase of £1,372k to the revaluation reserve, reversal of impairment of £111k to revaluation reserve and a net impairment of £1,093 reflected in operating expenses note 7.1 .

Note 19 Inventories

	31 March 2020	31 March 2019
	£000	£000
Drugs	**726**	728
Consumables	**915**	994
Energy	**16**	16
Total inventories	**1,657**	1,738

Inventories recognised in expenses for the year were £14,926k (2018/19: £16,162k). Write-downs of inventories recognised as expenses for the year were £0k (2018/19: £0k).

Note 20 Receivables

	31 March 2020	31 March 2019
	£000	£000
Current		
Contract receivables*	**19,624**	14,050
Allowance for impaired contract receivables / assets	**(1080)**	(576)
Prepayments (non-PFI)	**2,427**	3,060
VAT receivable	**1,373**	971
Other receivables	**172**	171
Total current receivables	**22,486**	17,676

Non-current		
Contract assets	**475**	401
Allowance for other impaired receivables	**(104)**	(88)
Total non-current receivables	**371**	313

Of which receivables from NHS and DHSC group bodies:		
Current	**18,933**	12,776

* The increase in contract receivables in the main relates to additional FRF incentive funding of £4.6m received in month 12 2019/20.

Note 21 Allowances for credit losses

	2019/20	2018/19	
	Contract receivables and contract assets	Contract receivables and contract assets	All other receivables
	£000	£000	£000
Allowances as at 1 April - brought forward	**664**	-	452
Allowances as at 1 April - restated	**664**	-	452
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018		452	(452)
New allowances arising	**520**	224	-
Utilisation of allowances (write offs)	**-**	(12)	-
Allowances as at 31 Mar 2020	**1184**	664	-

Note 22 Cash and cash equivalents movements

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

	2019/20	2018/19
	£000	£000
At 1 April	**9,463**	7,313
At 1 April (restated)	**9,463**	7,313
Net change in year	**1,918**	2,150
At 31 March	**11,381**	9,463
Broken down into:		
Cash at commercial banks and in hand	**38**	37
Cash with the Government Banking Service	**11,343**	9,426
Total cash and cash equivalents as in SoFP	**11,381**	9,463
Total cash and cash equivalents as in SoCF	**11,381**	9,463

Note 22.1 Third party assets held by the Trust

The Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties.

This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2020	31 March 2019
	£000	£000
Bank balances (patient monies)	**115**	106
Total third party assets	**115**	106

Note 23 Trade and other payables

	31 March 2020	31 March 2019
	£000	£000
Current		
Trade payables	**1,400**	2,896
Capital payables	**1,496**	863
Accruals	**13,242**	10,569
Social security costs	**22**	110
Other payables	**775**	261
Total current trade and other payables	**16,935**	14,699

Of which payables from NHS and DHSC group bodies:		
Current	**2,148**	2,960

Note 24 Other liabilities

	31 March 2020	31 March 2019
	£000	£000
Current		
Deferred income: contract liabilities	**583**	471
Total other current liabilities	**583**	471

Note 24.1 Borrowings

	31 March 2020	31 March 2019
	£000	£000
Current		
Loans from the DHSC	**85,939**	41,403
Obligations under finance leases	**500**	473
Total current borrowings	**86,263**	41,876

Non-current		
Loans from the DHSC	**-**	39,474
Obligations under finance leases	**324**	827
Total non-current borrowings	**500**	40,301

On 2nd April 2020, the Department of Health and Social Care (DHSC) and NHS England / Improvement announced reforms to the NHS cash regime for 2020/21. During 2020/21 existing DHSC interim revenue and capital loans as at 31st March 2020 will be replaced with the issue of Public Dividend Capital (PDC). This is treated as a non-adjusting post balance sheet event for the 2019/20 accounts as per the DHSC GAM. However, the DHSC instructed the Trust to reclassify the affected loans totalling £85.939 million (including £182k interest) as current liabilities within these financial statements

Note 24.2 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2019	**80,877**	**1,300**	**82,177**
Cash movements:			
Financing cash flows - payments and receipts of principal	**5,061**	**(476)**	**4,585**
Financing cash flows - payments of interest	**(1,217)**	**(42)**	**(1,259)**
Non-cash movements:			
Application of effective interest rate	**1,218**	**42**	**1,260**
Carrying value at 31 March 2020	**85,939**	**824**	**86,763**

Note 24.3 Reconciliation of liabilities arising from financing activities - 2018/19

	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2018	61,463	1,754	63,217
Cash movements:			
Financing cash flows - payments and receipts of principal	19,233	(452)	18,781
Financing cash flows - payments of interest	(924)	(67)	(991)
Non-cash movements:			
Impact of implementing IFRS 9 on 1 April 2018	135	-	135
Application of effective interest rate	970	65	1,035
Carrying value at 31 March 2019	80,877	1,300	82,177

Note 25 Finance leases

Note 25.1 East Cheshire NHS Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	31 March 2020	31 March 2019
	£000	£000
Gross lease liabilities	**842**	1,358
of which liabilities are due:		
-not later than one year	**518**	513
-later than one year and not later than five years	**324**	845
Finance charges allocated to future periods	**(18)**	(58)
Net lease liabilities	**824**	1,300
Of which payable:		
-not later than one year	**500**	473
-later than one year and not later than five years	**324**	827

In November 2014, the Trust entered into a seven year lease with Siemens Healthcare for the provision of a radiology managed equipment service.

Note 26 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	**3,299**	**1,379**	**965**	**885**	**293**	**2,488**	**9,309**
Change in the discount rate	**112**	**118**	**-**	**-**	**-**	**-**	**230**
Arising during the year	**9**	**48**	**869**	**-**	**132**	**792**	**1,850**
Utilised during the year	**(343)**	**(67)**	**(229)**	**(139)**	**(165)**	**(461)**	**(1,404)**
Reversed unused	**-**	**-**	**(591)**	**(746)**	**(128)**	**-**	**(1,465)**
Unwinding of discount	**8**	**4**	**-**	**-**	**-**	**-**	**12**
At 31 March 2019	**3,085**	**1,482**	**1,014**	**-**	**132**	**2,819**	**8,532**
Expected timing of cash flows:							
- not later than one year;	**343**	**67**	**1,014**	**-**	**132**	**2,819**	**4,375**
- later than one year and not later than five years;	**1,372**	**268**	**-**	**-**	**-**	**-**	**1,640**
- later than five years.	**1,370**	**1,147**	**-**	**-**	**-**	**-**	**2,517**
Total	**3,085**	**1,482**	**1,014**	**-**	**132**	**2,819**	**8,532**

Provisions for pension early departure costs and pension injury benefits are based on expected life years for individual members of staff.

Legal claims relate to provision for tribunal costs together with Employers and Public liability claims, which are based on an assessment of the likelihood of the claims arising as assessed by NHS Resolution (formerly NHSLA). They are restricted to an excess, with the balance being reimbursed by NHS Resolution.

Other includes provisions relating to intermediaries legislation (IR35), VAT and employment status.

Note 27 Clinical negligence liabilities

At 31 March 2020, £101,320k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of East Cheshire NHS Trust (31 March 2019: £94,244k).

Note 28 Contingent assets and liabilities

	31 March 2020	31 March 2019
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	**(14)**	(22)
Net value of contingent liabilities	**(14)**	(22)

Note 29 Contractual capital commitments

	31 March 2020	31 March 2019
	£000	£000
Property, plant and equipment	152	3
Total	152	3

Note 30 Financial instruments

Note 30.1 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 the Clinical Commissioning Groups and the way those Clinical Commissioning Groups 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 NHS Improvement. The borrowings are for 1 to 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.
The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health and Social Care (the lender) at the point that the borrowing is undertaken.
The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Due to the fact that 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 31 March 2019 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 CCGs, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from internally generated funds. The Trust is not, therefore, exposed to significant liquidity risks.

Note 31 Carrying values of financial assets

	Held at amortised cost	Total book value
	£000	£000
Carrying values of financial assets as at 31 March 2020		
Trade and other receivables excluding non financial assets	**19,057**	19,394
Cash and cash equivalents	**11,381**	11,381
Total at 31 March 2020	**30,438**	**30,775**

	Held at amortised cost	Total book value
	£000	£000
Carrying values of financial assets as at 31 March 2019		
Trade and other receivables excluding non financial assets	**13,958**	13,958
Cash and cash equivalents	**9,463**	9,463
Total at 31 March 2019	**23,421**	23,421

Note 32 Carrying values of financial liabilities

	Held at amortised cost	Total book value
	£000	£000
Carrying values of financial liabilities as at 31 March 2020		
Loans from the Department of Health and Social Care	**85,939**	85,939
Obligations under finance leases	**824**	824
Trade and other payables excluding non financial liabilities	**16,913**	17,250
Provisions under contract	**2,062**	2,062
Total at 31 March 2020	**105,738**	106,075

	Held at amortised cost	Total book value
	£000	£000
Carrying values of financial liabilities as at 31 March 2019		
Loans from the Department of Health and Social Care	**80,877**	80,877
Obligations under finance leases	**1,300**	1,300
Trade and other payables excluding non financial liabilities	**14,589**	14,589
Provisions under contract	**3,079**	3,079
Total at 31 March 2019	**99,845**	99,845

Note 33 Maturity of financial liabilities

	31 March 2020	31 March 2019
	£000	£000
In one year or less	**105,414**	59,544
In more than one year but not more than two years	**324**	20,741
In more than two years but not more than five years	**-**	19,560
In more than five years	**-**	-
Total	**105,738**	99,845

Note 34 Fair values of financial assets and liabilities

The carrying value of financial assets and liabilities is a reasonable approximation of fair value

Note 35 Losses and special payments

	2019/20		2018/19	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
		£000		£000
Losses				
Bad debts and claims abandoned	**4**	**2**	6	1
Stores losses and damage to property	**-**	**-**	2	2
Total losses	**4**	**2**	8	3
Special payments				
Compensation under court order or legally binding arbitration award	**1**	**214**	4	31
Ex-gratia payments	**15**	**11**	18	8
Special severance payments	**1**	**15**	-	-
Total special payments	**17**	**240**	22	39
Total losses and special payments	**21**	**242**	30	42

Note 36 Related parties

Transactions between the trust and the related party organisation:

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£	£	£	£
Dr John Hunter				
Related party organisation - Vernova Healthcare CIC - spouse member of Vernova Healthcare CIC board				
Trust transactions with Vernova Healthcare CIC	440,929	102,582	4,980	-
East Cheshire NHS Trust Charitable Fund*		143,468	-	125,919

* The Board members of East Cheshire NHS Trust act as representatives of the Corporate Trustee of East Cheshire NHSTrust Charitable Fund.

The Department of Health and Social Care is regarded as a related party. During the year the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent department. These include:

Clinical Commissioning Groups
NHS Foundation Trusts
NHS Trusts
NHS Resolution
NHS Business Services Authority

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Cheshire East Unitary Authority and Cheshire West Unitary Authority.

Charitable expenditure, including charges for administration, is initially paid through the ledger of East Cheshire NHS Trust, then reimbursement is made by East Cheshire NHS Trust Charitable Fund.

Note 37 Analysis of charitable fund reserve

The Trust is the Corporate Trustee for East Cheshire NHS Trust Charitable Fund. The Trust does not consolidate the results of the charity on the grounds of materiality.

	2020	2019
	£000	£000
Restricted / Endowment Funds	**447**	451
Non-restricted Funds	**259**	178
Total Funds	**706**	629

Note 38 Events after the reporting date

On 2nd April 2020, the Department of Health and Social Care (DHSC) and NHS England / Improvement announced reforms to the NHS cash regime for 2020/21. During 2020/21 existing DHSC interim revenue and capital loans as at 31st March 2020 will be replaced with the issue of Public Dividend Capital (PDC). This is treated as a non-adjusting post balance sheet event for the 2019/20 accounts as per the DHSC GAM. However, the DHSC instructed the Trust to reclassify the affected loans totalling £85.939 million (including £182k interest) as current liabilities within these financial statements

Note 39 Better Payment Practice code

	2019/20	2019/20	2018/19	2018/19
	Number	£000	Number	£000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	**41,026**	**51,164**	40,427	54,997
Total non-NHS trade invoices paid within target	**37,147**	**47,703**	37,886	51,901
Percentage of non-NHS trade invoices paid within target	**90.5%**	**93.2%**	93.7%	94.4%
NHS Payables				
Total NHS trade invoices paid in the year	**1,644**	**11,945**	1,430	13,256
Total NHS trade invoices paid within target	**1,422**	**11,236**	1,048	11,307
Percentage of NHS trade invoices paid within target	**86.5%**	**94.1%**	73.3%	85.3%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt invoice, whichever is later.

Note 40 External financing limit

The Trust is given an external financing limit against which it is permitted to underspend

	2019/20	2018/19
	£000	£000
Cash flow financing (from statement of Cash Flows)	**2,995**	16,770
External financing requirement	**2,995**	16,770
External financing limit (EFL)	**11,437**	21,837
Under / (over) spend against EFL	**8,442**	5,067

Note 41 Capital Resource Limit

	2019/20	2018/19
	£000	£000
Gross capital expenditure	**4,368**	4,018
Less: Disposals	**(566)**	-
Less: Donated and granted capital additions	**(33)**	(30)
Charge against Capital Resource Limit	**3,769**	3,988
Capital Resource Limit	**3,770**	3,988
Under / (over) spend against CRL	**1**	-

Note 42 Breakeven duty financial performance

	2019/20
	£000
Adjusted financial performance surplus / (deficit) (control total basis)	**50**
Add back income for impact of 2018/19 post-accounts PSF reallocation	**353**
Breakeven duty financial performance surplus / (deficit)	**403**

Note 43 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		3,926	806	277	5,535	262	109	(23,899)	(15,149)	(16,000)	(14,472)	**403**
Breakeven duty cumulative position	(4,386)	(460)	346	623	6,158	6,420	6,529	(17,370)	(32,519)	(48,519)	(62,991)	**(62,588)**
Operating income		115,877	118,610	176,835	185,725	180,080	183,791	172,345	165,589	152,526	160,269	**176,378**
Cumulative breakeven position as a percentage of operating income		(0.4%)	0.3%	0.4%	3.3%	3.6%	3.6%	(10.1%)	(19.6%)	(31.8%)	(39.3%)	**(35.5%)**

Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009/10, the Trust's financial performance measurement needed to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

The Trust has a statutory duty to break-even over a rolling three year period. It should be noted that in view of the small surplus for 2019/20 of £50k, combined with the 2018/19 deficit of £14.5m and the 2017/18 deficit of £16.2m, the Trust was not able to comply with its statutory duty to breakeven on a three-year rolling basis. Therefore a report under Section 30 of the Local Audit and Accountability Act 2014 was issued to the Secretary of State by the Trust's auditors in May 2019. This report also covers the financial year ended 31 March 2020.

“All worries I had were explained and a clear plan of care. Staff are very friendly.”

Children’s Ward

Parliamentary accountability and audit report

Independent auditor's report to the Directors of East Cheshire NHS Trust

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

The impact of macro-economic uncertainties on our audit

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

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

Material uncertainty related to going concern

We draw attention to Note 1.2 in the financial statements, which indicates

- The Trust reported a £0.05 million surplus at the end of 2019/20. The planned deficit was £5.1million, however the Trust improved its forecast outturn position by £0.5 million and received additional incentive FRF of £4.6 million in month 12. However, the underlying deficit situation in future years remains unchanged.

These events or conditions, along with the other matters as set forth in Note 1.2, indicate that a material uncertainty exists that may cast significant doubt about the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter – effects of Covid-19 on the valuation of land and buildings

We draw attention to Note 1.27 of the financial statements, which describes the effects of the Covid-19 pandemic on the valuation of land and buildings as at 31 March 2020. As disclosed in Note1.27 to the financial statements, a full valuation exercise was carried out between December 2019 - January 2020 with a valuation date of 31st March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standard 2020 (Red Book) the valuer declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by the Covid pandemic. However, the inclusion of the 'material valuation uncertainty' declaration does not mean that the valuation cannot be relied upon for the purposes of the accounts. Our opinion is not modified in respect of this matter.

Other information

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

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

We have nothing to report in this regard.

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

Under the Code of Audit Practice published by the National Audit Office in April 2015 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by NHS Improvement or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we make a written recommendation to the Trust under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters except on 25 April 2019 we referred a matter to the Secretary of State under Section 30a of the Local Audit and Accountability Act 2014 in relation the Trust's breach of its three-year statutory breakeven duty, covering the 2018/19 and 2019/20 financial years.

Responsibilities of the Directors and Those Charged with Governance for the financial statements

The Directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Qualified conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in April 2020, except for the effects of the matters described in the basis for qualified conclusion section of our report we are satisfied that, in all significant respects East Cheshire NHS Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

Basis for qualified conclusion

Our review of the Trust's arrangements for securing economy efficiency and effectiveness in its use of resources identified the following:

- The Trust achieved an adjusted surplus of £0.05 million, compared to £14.47 million deficit the prior year. This was achieved after the receipt of £19.4 million Financial Recovery Fund and £3.5 million Provider Sustainability Fund.
- The Trust has an accumulated deficit of £62.588 million and plans to achieve financial sustainability are not yet fully developed.

These matters identify weaknesses in the Trust's arrangements for setting a sustainable budget with sufficient capacity to absorb emerging cost pressures due to the current configuration of services.

These matters are evidence of weakness in the proper arrangements for sustainable resource deployment in planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Responsibilities of the Accountable Officer

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

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

We are required under Section 21(1)(c) and Schedule 13 paragraph 10(a) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020, and to report by exception where we are not satisfied.

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

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of the financial statements of East Cheshire NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the Directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Directors, as a body, for our audit work, for this report, or for the opinions we have formed.

John Farrar

John Farrar, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

Liverpool

Date: 25th June 2020

Glossary

A&E	Accident and Emergency
ACS	Acute Coronary Syndrome
ACP	Association of Child Psychotherapists
AHP	Allied Health Professional
AKI	Acute Kidney Injury
AQ	Advancing Quality
AMi	Acute Myocardial Infarction
AMT	Abbreviated Mental Test
ANC	Antenatal Clinic
APLS	Advanced Paediatric Life Support
AVS	Acute visiting service
BDP	Bollington, Disley and Poynton
CARE	Clinical Audit Research and Effectiveness
CCG	Clinical Commissioning Group
CCR	Cheshire Care Record
CDiff	Clostridium *Difficile*
CGA	Comprehensive Geriatric Assessment
CNST	Clinical Negligence Scheme for trusts
COPD	Chronic Obstructive Pulmonary Disease
CPR	Cardiopulmonary Resuscitation
CQC	Care Quality Commission
CQUIN	Commissioning for Quality And Innovation
CTG	Cardiotocography
CWMH	Congleton War Memorial Hospital
Datix	Internal incident reporting system
DH	Department of Health
DNACPR	Do Not Attempt Cardiopulmonary Resuscitation
DTOC	Delayed Transfers of Care
DVT	Deep Vein Thrombosis
ECCCG	East Cheshire Clinical Commissioning Group
ECT	East Cheshire NHS Trust
ED	Emergency Department
EDD	Expected Day of Discharge
EDNF	Electronic Discharge Notification Form
EMIS	Electronic Medical Information Systems
EPaCCS	Electronic Palliative Care Co-ordination Systems
EOL	End of life
ETU	Endoscopy Treatment Unit
FFT	Friends and Family Test
GMC	General Medical Council
GP	General Practitioner
GPOOH	GP Out-of-Hours
HCA	Healthcare Assistant
HDU	High Dependency Unit

HITS	Home Intravenous Therapy Team
ICU	Intensive Care Unit
CRN	Clinical Research Nurse
IG	Information Governance
IT	Information technology
MAPLE	Mental and Physical-Led Exercises
MAU	Medical Assessment Unit
MDGH	Macclesfield District General Hospital
MDT	Multi-Disciplinary Team
MRSA	Methicillin-Resistant Staphylococcus Aureus
MINAP	Myocardial Ischaemia National Audit Project
NEWS2	National Early Warning Score 2
NHS	National Health Service
NHSI	NHS Improvement
NHSLA	NHS Litigation Authority
NHSP	Newborn Hearing Screening Programme
NICE	National Institute of Clinical Excellence
NIHR	National Institute for Health Research
NCEPOD	National Confidential Enquiry into Patient Outcome and Death
NOF	Neck of Femur
NRLS	The National Reporting and Learning System
NSF	National Service Framework
NWAS	North West Ambulance Service
OT	Occupational Therapist
OFSTED	Office for Standards in Education
PCI	Percutaneous Coronary Interventions
PE	Pulmonary Embolism
PLACE	Patient-Led Assessment of Care Environment
PPC/D	Preferred Place for Care/Death
PROMS	Patient-Reported Outcome Measures
QIPP	Quality, Innovation, Productivity and Prevention
RAD	Rapid Access and Diagnostics
RCN	Royal College of Nursing
RCM	Royal College of Midwives
RCOG	Royal College of Obstetricians and Gynaecologists
SHMI	Summary Hospital-level Mortality Indicator
SNCT	Safer Nursing Care Tool
SPCT	Specialist Palliative Care Team
SQS	Safety, Quality Standards
StEIS	Strategic Executive Information System
TARN	Trauma Audit and Research Networks
TNA	Trainee Nursing Associate
UTI	Urinary Tract Infection
VTE	Venous Thromboembolism

If you require this document in another language or format (including easy read and audio) please contact us using the details below:

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