NHS
Leicestershire Partnership
NHS Trust

Annual Report 2020/21

Creating high quality, compassionate care and wellbeing for all.

www.leicspart.nhs.uk

Contents

Our performance report

Performance analysis

Accountability report

Financial statements

The 2020/21 audited annual accounts and annual governance statement are presented in a separate supporting document to this annual report as Appendix A and B.

Our performance report

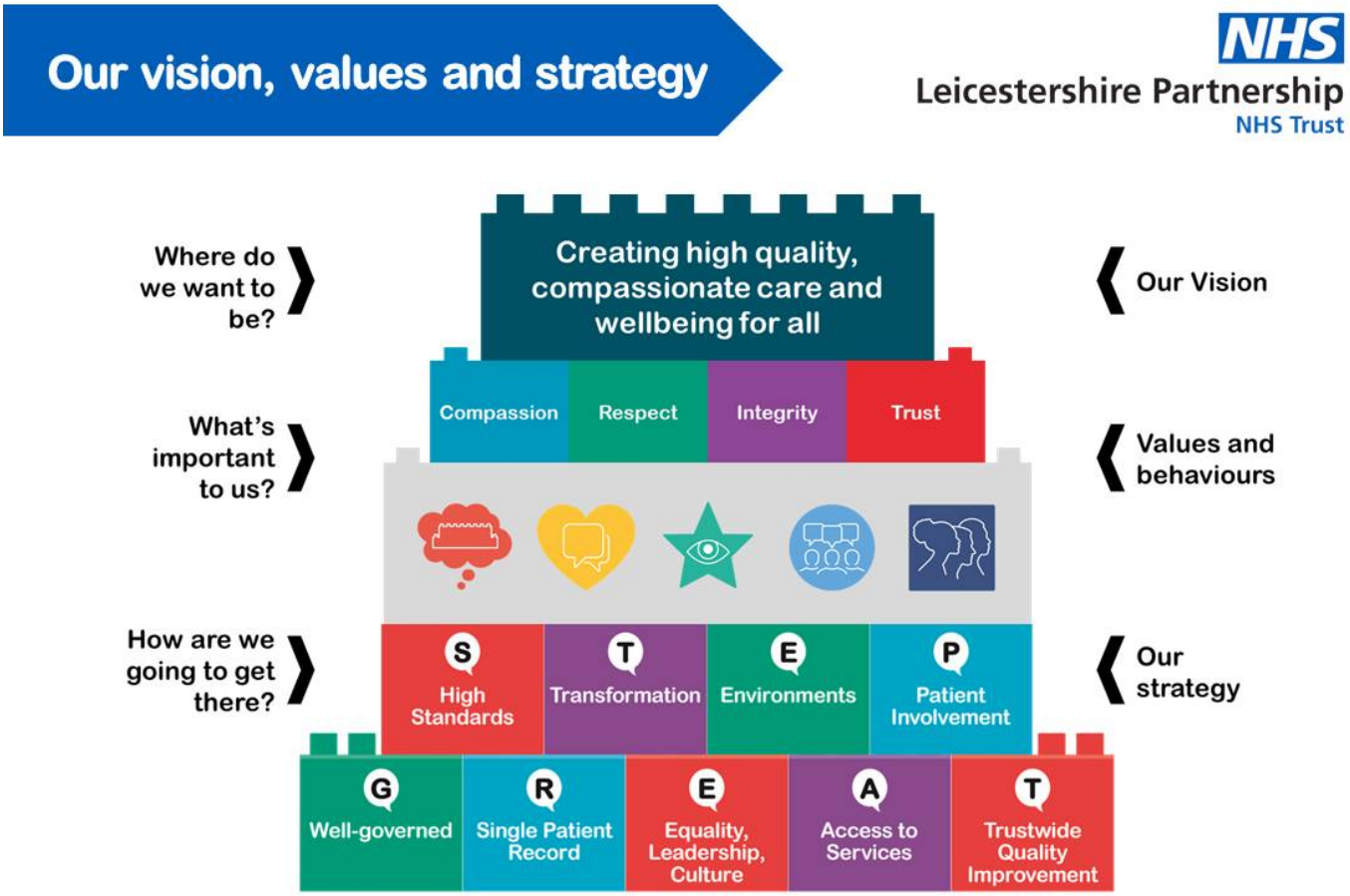
Welcome from our chief executive and chair

The last year has been one of the most challenging years in the NHS's history, however, we are proud of our staff and the way they have continually stepped up to great in achieving our Trust's vision throughout the pandemic:

"creating high quality, compassionate care and wellbeing for all."

From working together in new and different ways to support our service users, to being rapidly responsive to care for Covid-positive patients, they have worked alongside our system partners, as a key player in the local NHS crisis response. Our staff have been nothing short of phenomenal and we are grateful for this.

At LPT everybody is a leader. In January 2020 we launched our leadership behaviours – co-designed by staff across the Trust to empower people to take personal responsibility in valuing one another, valuing differences, working together and always learning and improving. We have embedded these within our appraisal systems and recruitment and induction processes. Although early days, we have seen them begin to be used throughout the pandemic in creating a supportive, inclusive and compassionate environment for all.



Our LPT family has risen to the challenge during the pandemic. Read our Year in Review section for highlights of performance and achievements over this last year. Some of the highlights we wanted to draw your attention to include:

- Setting up a Trust-wide incident control centre to maintain quality of response with operational and clinical leaders across the Trust and with system partners.
- Launching an enhanced mental health offer through an acute mental health care hub and a central access point telephone to support patients needing urgent and emergency care
- Rapid set up of new surge wards to increase system capacity for the Covid response, including work with private providers
- Virtual consultations and telehealth innovations to continue to support our patients
- Enhancing our innovative digital offer for children, young people and families, specifically with support during Covid-19
- Continuing to enhance our patient involvement strategy, despite the restrictions, including the launch of our Peoples Council and working with our Youth Advisory Board, to build patient voice into everything we do.
- Leading on workforce for the Covid-19 vaccination programme, with LPT supporting Covid-19 vaccination hospital hubs and the mass vaccination centre. This included specialised vaccination clinics for people with learning disabilities, which was held up as an example of good practice.
- Implementation of a single electronic patient record across our Trust, using SystmOne means that we have the same patient record as approximately 90% of GPs in Leicester, Leicestershire and Rutland
- National recognition awards for our community nursing teams, our Healthy Together teams, and work around improving workforce race equality, as well as several of our clinicians being selected for national bodies.

We are pleased to share that the CQC Warning Notice against LPT has been removed, which is a credit to all our staff on the grip and leadership around improvements in the quality of our care and services. Throughout the year we have shared our improvement journey and achievements with the CQC, from work around addressing ligatures, estates and medicines management, to improvements in staff experience. We know we have more to do but we are confident in the progress we've made and the plans we have in place to address our challenges. Thank you to our buddy Trust Northamptonshire Healthcare Foundation Trust for their support and mentorship in our improvement journey.

Our staff survey response rate is the highest we've had in five years, with a response rate of 52.4%, compared to a national average response rate of 49%. The results are an important way for us to hear staff views on how it feels to work in LPT, what they think works well and what they think needs to improve. We are pleased that compared to last year, staff have reported a more positive experience of working in LPT across all the indicators, with significant improvements in staff engagement, morale and a safety culture at LPT. The staff recommending LPT as a place to work increased from 54% to 63% (putting us in the top ten most improved Trusts for this indicator) and the number who would be happy with LPT's standard of care if a friend of relative needed treatment increased from 61% to 67%. We are committed to being an anti-racist Trust and our approach of Together Against Racism will be a key focus this year, building on some of the work we've done this last year, alongside the health and wellbeing of our staff, supporting the recovery of our people and our services.

We are also pleased that during this time we have been a leading partner in establishing the East Midlands Mental Health alliance, which has enhanced our work around provider collaboratives, and we are the regional lead for the adult eating disorders provider collaborative. We have also been successful in receiving funding for enhanced perinatal mental health services, and have launched our CAMHS Beacon Unit – ensuring care is provided closer to home for our young people. For adult mental health services, our out of area placements has reduced to being consistently at zero, a great success story we are proud of. We have also progressed our learning disability services quality improvement programme with the system.

We welcome the news that NHS England has confirmed that Leicester, Leicestershire and Rutland Sustainability and Transformation Partnership's (STP) application to become an Integrated Care System (ICS) has been approved, and the system will formally be designated as an ICS from 1st April 2021 - enabling it to move forward at pace to deliver its full ambitions. This is great news for LLR and we welcome the opportunity this brings for all of us in LPT to build further upon our work with partners to improve outcomes for our patients and services users and reduce health inequalities.

Finally, thank you to everyone who makes up our WeAreLPT family – our staff, volunteers, service users and partners. You have each played a significant part in responding to the pandemic in the last year, and working together, listening to and engaging you, will remain our focus, as we look towards our road to recovery from Covid moving forward.

Our summary Financial Accounts for 2020/21 are presented with this Annual Report in Appendix A and we are pleased to confirm that we achieved all our statutory and planned financial duties. Considering the significant change to the financial regime in 2020/21 and the uncertainty that this brought, alongside our continued delivery of safe services throughout the pandemic, to achieve our financial duties and deliver a £9k surplus was an excellent achievement. We would like to thank all our staff.

Cathy Ellis, Chair of LPT

Angela Hillery, CEO of LPT

LPT was the only East Midlands Trust to receive exclusive artwork by internationally acclaimed contemporary artist Damien Hirst was donated to our Trust in October. The limited edition 'Butterfly Rainbow' created by the artist to show support for the NHS in the coronavirus pandemic, is now display at our Bradgate Mental Health unit. All profits from the limited edition artwork, a total of £1,508,172, were donated to NHS Charities Together and 70 of the limited edition prints have been sent to NHS Trusts. *Angela and Cathy (pictured above left to right).*

About us

In April 2011, mental health and learning disability services in Leicester, Leicestershire and Rutland were brought together with local community services and families, children and young people's services to create Leicestershire Partnership NHS Trust as we know it today.

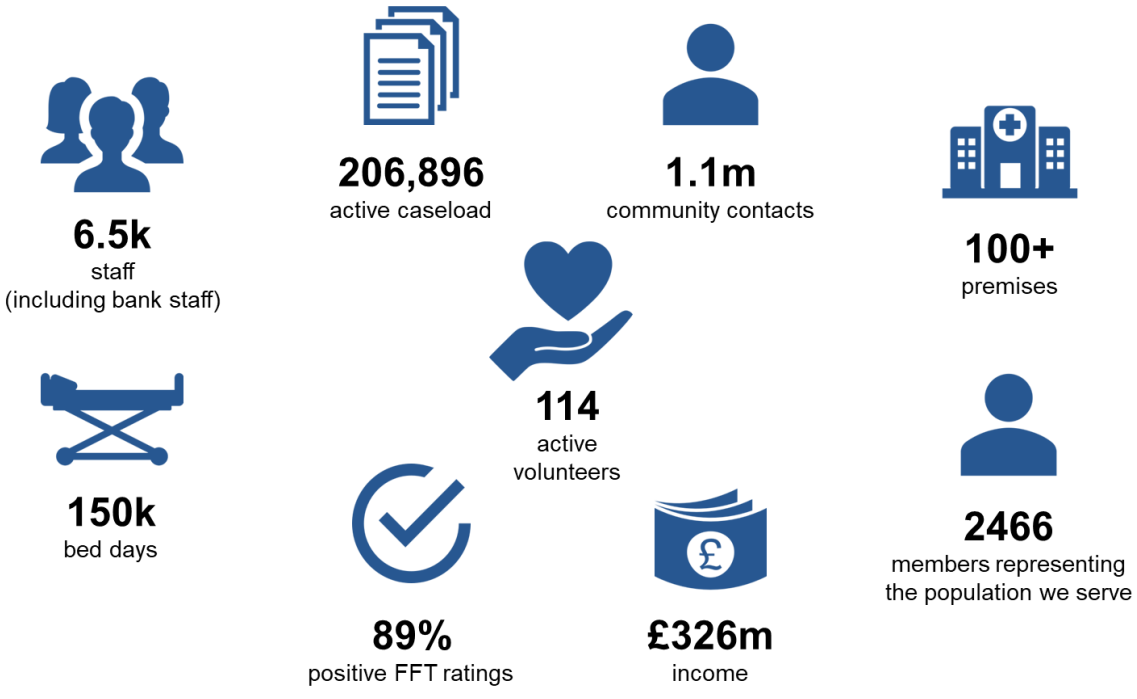
We provide community health and mental health support to over 1 million people living in Leicester, Leicestershire and Rutland. Our services touch the lives of all ages (from health visiting to end of life care), from head to foot (from mental health to podiatry) and everything in between. We have 6,500 staff (including bank staff) who provide this care through three clinical directorates:

- Adult mental health services
- Families, young people and children's services and adult learning disabilities services
- Community health services

Their work would not be possible without our enabling and corporate services staff, alongside our hosted service providers and around 500 volunteers.

During 2020-21 LPT provided and/or subcontracted 99 relevant health services. Mental Health and Learning Disabilities account for 56 services and Community Health Services make up the remaining 43. It should be noted that at times not all services were operating at full capacity due to the Trust response to COVID-19.

LPT in numbers



Our population and the community we serve

Our Trust provides a range of community and mental health services from many different locations across the Leicester, Leicestershire and Rutland (LLR) region, including hospitals, longer term recovery units, community and outpatient clinics, day services, GP surgeries, community centres, schools, health centres, people's own homes, and care homes.

The population of LLR is currently estimated at 1.1m according to 2019 ONS Mid-Year estimates. This means that LPT serves more people than the average community and mental health NHS Trust.

Just under two thirds of the population live in Leicestershire county, and just under one-third living in Leicester city with the balancing four per cent of the population living in Rutland. A small number of specialist services are also provided to service users from wider geographical areas, primarily areas of the East Midlands adjacent to Leicestershire, for example our Adult Eating Disorders, Low Secure and Huntington's Disease Services.

Our local health economy

The Trust operates in a mixed health economy with NHS acute and community trusts, local authorities, independent and third sector providers all delivering services. This requires a considered, proactive engagement model providing a strong foundation for the creation of a Leicester, Leicestershire and Rutland (LLR) Integrated Care System from April 2022; this will enable all partners to work collaboratively to meet the stated priorities for our communities delivering to a common agenda.

Key collaborators include:

- University Hospitals of Leicester (UHL)
- Primary Care Networks (PCNs) in LLR
- Neighbouring acute, community and mental health trusts
- National NHS providers
- Private sector providers
- Third sector organisations

Our commissioners:

- Leicester City, West Leicestershire and East Leicestershire & Rutland CCGs (merging into one).
- Leicester, Leicestershire and Rutland councils
- NHS England

Other significant partners

- **NHFT (Northamptonshire Healthcare Foundation Trust)** – buddy relationship formed after appointment of shared Chief Executive and targeted NHS England support from NHFT arranged following our last CQC visit. This will be formalised into a group model arrangement from April 2021.
- **East Midlands Mental Health Alliance** – a collaboration between NHS mental health provider Trusts in the East Midlands, working together on new regional care models. LPT is leading the improving the Adult Eating Disorders care pathway across the region through this provider collaborative.

Our year in review – adult mental health

Mental health urgent care hub launched in 11 days

Swift action was taken to provide a 24-hour response for people with urgent mental health needs through the pandemic. Our mental health directorate colleagues set up a dedicated 'mental health urgent care hub' for people of all ages in just 11 days.

Based at the Bradgate Mental Health Unit the hub was part of the system-wide COVID-19 response for Leicester, Leicestershire and Rutland, providing urgent mental health assessments and support, and reducing Emergency Department attendances, allowing hospital staff to focus on Covid-19 patients.

Individuals are referred to the hub by a range of agencies including police, NHS 111, GPs, Emergency Department staff and other LPT services, including the new Central Access Point 24-hour urgent helpline service also launched by LPT in April.

This innovative approach helped more people to stay well in the community, with admissions to mental health wards reduced significantly and, crucially, no patients having to go out of area for hospital treatment.

The hub was later showcased as a national example of rapid innovation, resilience and resourcefulness in a report from NHS Providers.

New 24-hour local NHS phone line for urgent mental health needs

We launched a dedicated telephone help line where people of all ages in Leicester, Leicestershire and Rutland can access NHS mental health support when they need it urgently.

24/7 Central Access Point
urgent NHS mental health support for people of all ages living in Leicester, Leicestershire and Rutland
0116 295 3060

The new mental health central access point (CAP) 'phone service offered a local alternative to NHS 111, A&E and other urgent and non-urgent service, linking callers with call handlers and clinicians who can assess their needs and advise, support, signpost or refer them directly to the appropriate service.

Mum's Mind saw demand rise 60% in first month of lockdown

Mum's Mind, our ground-breaking text message mental health support service for new and expectant mums, saw demand rise by around 60% in the first month of lockdown. The confidential service, offering expert advice and information to support mothers who struggle with mental health issues during pregnancy and baby's first year, saw incoming texts rise from 50 a month to 84.

The team providing the service – LPT's specialist perinatal mental health team – said a significant number of texts relate to expectant and new mums experiencing anxiety in the weeks after lockdown was implemented. In Maternal Health Awareness Week, perinatal mental health team leader, Donna Stafford, pictured, reassured families that support is available.

Depression implant patient shares transformation in regional ‘first’

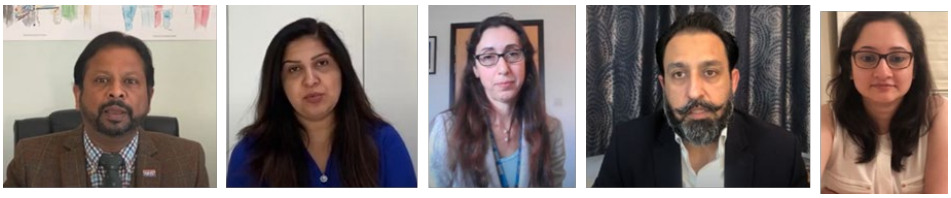
A Leicester grandfather who struggled with severe, treatment-resistant anxiety and depression for 30 years shared his story after becoming the first East Midlands patient fitted with a vagus nerve stimulation implant.

Johnny Spillane, whose story was aired on regional TV news, told how the tiny device – which sends a small electrical stimulus into his brain - was transforming his life and giving him strength to support his loved ones through the Covid-19 crisis.

We are one of just a handful of NHS Trusts with a vagus nerve stimulation (VNS) service, provided through our electro-convulsive therapy service. The special battery-powered ‘pacemaker’ style device, fitted as a life-long treatment, stimulates the part of the brain known to be critical for the treatment of depression.

Consultant psychiatrist Dr Girish Kunigiri, an international speaker on the subject, explained: “VNS is established as a treatment for intractable epilepsy and growing evidence highlights it as a successful long-term approach to treatment-resistant depression. We developed a robust pathway with neurosurgery specialists in Nottingham and collaborated with them as a regional first. The patient reported significant improvements in his mood and quality of life after experiencing treatment-resistant depression for more than three decades.”

LPT consultants break through language barriers



Five of our consultant psychiatrists were at the forefront of a national initiative to support people who are unable to speak English to maintain positive mental health through Covid-19.

The LPT medics recorded multilingual self-help messages for the Royal College of Psychiatrists. They featured in a suite of five short videos giving advice about staying active, maintaining family contact and stress-reducing exercise and activities.

They are (left to right) Debsis Das who recorded a message in Bengali, Rahat Ghafoor who recorded in Pashto, Haroula Konstantinidou (Greek), Imran Malik (Punjabi) and Suneeta James (Malayalam).

The short messages advise members of the public/patients to take daily, socially-distanced exercise, to maintain social contact with families and friends, to consider taking up new hobbies, and to try deep breathing or muscle-relaxing techniques to reduce stress. One of the messages also suggests limiting exposure to news and social media for anyone feeling anxious.

Mental health support for lockdown residents in extended shielding

A new mental health support resource pack was published to support Leicester residents facing extended self-isolating or shielding periods due to coronavirus. The pack included self-care advice and sources of emotional wellbeing support.

The new downloadable leaflet was also useful for people who were self-isolating or anyone who felt vulnerable or anxious as a result of the pandemic.

Content included advice on eating well, staying hydrated, keeping busy, taking care of your environment and connecting with others.

The leaflet was translated for non-English speaking members of our community into: Gujarati, Punjabi, Urdu, Bengali, Hindi, Romanian and Polish.

Supporting the mental wellbeing of our diverse local population

We acted to help ensure all communities impacted are able to access the right help by launching a multi-lingual, multi-media resource pack, signposting people to local services that can be accessed directly by individuals, whatever their level of need.

The pack featured a simple infographic summarising contact information for NHS and non-NHS services and includes YouTube links along with translated visual, audio and text content which can be downloaded from its website: www.leicspart.nhs.uk

The infographics were translated into the Trust's top requested languages for Leicester City.

'NHS super hero mum' art inspires challenge

A loving portrait of her LPT 'super hero' mum by Remi Mulroy inspired a county-wide arts competition to support children in lockdown.

Thirteen-year-old Remi's drawing showed her mum, senior mental health nurse Katie Abram, portrayed as half nurse and half super hero, battling the Covid-19 virus. Katie felt moved to help and inspire other children during Covid-19 by launching a children's art competition which attracted entries from across Leicester, Leicestershire and Rutland, with prizes provided for winners in three age groups, including donations from Leicester City Football Club.

Green fingered staff and patients compete

Our annual Let's Get Gardening' Awards were launched as a challenge to staff and patients at the Bradgate Unit to brighten ward garden spaces, bring a touch of home and provide rewarding, therapeutic activities for patients.


The 'Therapy Garden' at the Bradgate Mental Health Unit

Gardening projects, both on ward and in off ward spaces at the Bradgate Unit, continued to go from strength to strength despite restrictions due to Covid-19. Our occupational therapists also continued to progress with creation of a brand new 'therapy garden' space from an unused area next to Ashby Ward including projects such as 'incredible edibles'.

International role with Royal College of Psychiatrists

LPT associate medical director and Consultant psychiatrist Prof Mohammed Al-Uzri was appointed to the prestigious post of Presidential lead for international affairs with the Royal College of Psychiatrists. This sees him play a key role in delivering the college's international strategy and overseeing its work abroad. for the next three years. His new appointment involved close working with College President.

He said: "It is a privilege to take this role and help with implementing the new International strategy of the college. The international activity of the college has been an interest of mine for some time and I welcome the opportunity to contribute to the good work of the college at the international arena."

LPT pledges its support to equal health

With our buddy trust, Northamptonshire Healthcare NHS Foundation Trust (NHFT) we signed the Equally Well Charter for Equal Health, as our commitment to ensuring that patients with long term mental health conditions have access to high quality help and support for their physical health.

LPT and NHFT are working in partnership to share best practice and ensure our services continue to meet the needs of our local communities.

Our chair, Cathy Ellis signed the charter on behalf of LPT at a virtual meeting of the Board. Cathy said: "By pledging our commitment to the Equally Well Charter for equal health, we will take another step forward to ensuring our services continue to evolve and meet the needs of our local communities."

Open water 'dog rescue' support for ex-servicemen with PTSD

Six ex-Armed Forces servicemen took part in a unique open water experience with rescue-trained dogs, to help them with post-traumatic stress disorder (PTSD). They were 'rescued' from Stanton Lakes by specially trained Newfoundland dogs as part of the mental health support they are receiving from our Armed Forces service.

The four-hour experience, arranged by the Trust's Armed Forces lead Brendan Daly saw them don wetsuits and take part in a series of 'rescue' experiences with a team of trained 'emotional support' Newfoundland dogs.

Brendan said: "It's an experience which allows you to take your mind off any issues. The dogs love it and they don't judge - people are free to take time to relax and experience the sights and sounds around them. I've lost two of my dogs quite recently and it's helped me personally."

Recovery College goes 'virtual'

Our Recovery College went 'virtual' to continue providing free courses supporting mental wellbeing throughout the pandemic, launching it's new Spring prospectus In January.

The college offers recovery-focused courses and resources to support the mental wellbeing of people aged 18 and over who have lived experience of mental ill health. Its innovative curriculum – which even includes classes in comedy - is designed to help people gain new insights into their mental wellbeing, develop their knowledge and skills around mental and physical wellbeing and boost their recovery and resilience.

Our year in review – community health services

Creating surge capacity as part of our Covid-19 response

The Community Health Services directorate took on a frontline role in dealing with the Covid-19 pandemic.

We prepared mothballed wards for an expected initial surge at Coalville, Loughborough and the Evington Centre (Leicester), buying 100 beds, 100 bedside cabinets, and 100 over bed trays in the process.

The beds at Coalville and at the Evington Centre have not been used so far; the ones at Loughborough were busy in the second wave. An existing ward at the Evington Centre and the one at Melton temporarily cared for Covid-positive patients.

But the main bed-based activity was at Hinckley and Bosworth Community Hospital. It was quickly designated as LPT's primary site for treating "red" – Covid-positive – patients. This was because of its piped oxygen, the high proportion of small rooms, and the wards' relative isolation from other NHS services. Over 12 months, staff cared for more than 340 Covid-positive patients here.

Caring for Covid positive patients

All our community hospitals at some time cared for patients who were either Covid-positive, or had been recently. National TV viewers saw how patient Kully Sidki was applauded out of Coalville Community Hospital by staff after completing his rehabilitation there.

We also briefly ran extra capacity beds at the Leicester Nuffield Hospital on behalf of the NHS to help with the initial Covid peak.

Our community nursing and therapy teams also played a significant role in the care and treatment of patients with, and recovering from, Covid. They ensured that many Covid-positive patients could be cared for in their own homes, and ensured that high risk and vulnerable patients still received vital healthcare.

Our phlebotomists also stepped up to help other parts of the system. They took on an additional 500 visits a month from shielding patients who were discouraged from visiting GP surgeries or clinics.

Feilding Palmer Hospital near Lutterworth suspended new admissions due to concerns that its Victorian layout did not enable current standards of social distancing or infection prevention and control to be maintained for staff or patients. It continued to provide an important service to its local community throughout the year in the form of outpatient clinics, and from February 2021 it has been used as a base for Covid-19 vaccinations.

Innovative services

Loughborough Hospital has also been used as a vaccination centre, initially for healthcare and social care staff, and then for the public priority cohorts as laid down by the government.

During the first wave of the pandemic, the NHS issued national guidance asking Trusts to stop providing "non-essential" services face-to-face. This has had some impact on our waiting lists. However, our staff working in MSK physiotherapy, continence, heart failure and other services have been innovative in using phone, video and other technology to give advice, support and care to our patients remotely. We are looking at how we can maintain this innovation into the future.

Using technology to support patients

We used remote technology to look after former Covid-positive patients who were discharged from hospital while still using bottled oxygen. This enabled them to be discharged at an early stage while we could monitor their condition closely, ensuring they received the support and care they needed.

Following national guidance, we worked with acute hospital and social care colleagues in a discharge hub. It assessed patients in all inpatient settings with a view to them being discharged home or to lower levels of care with appropriate support.

Celebrating award wins

The pandemic didn't stop awards rolling in. LPT won the "Best Use of a Solution" category in the Smarter Working Live 2020 awards. The entry was based on work to introduce new computer functionality for community nursing staff, which optimised travel between patients' homes, the services they needed, and the skill level of the individual staff, and the availability of staff. The same project won the Workforce Innovation category in the Health Service Journal Partnership Awards in February 2020, and has been shortlisted for two other major awards.

Ageing Well continues

We have maintained work on the Ageing Well initiative. The Ageing Well urgent community response accelerator site work across Leicester, Leicestershire and Rutland is intended to develop a national model for urgent and emergency care. Our part is rapid response to prevent hospital admissions, or support same-day discharge from hospital, and the work to commence reablement within two days of discharge.

Significant work has been undertaken to ensure we can capture the data required accurately. Being an accelerator site has meant that we have received funding, which we have used to support the development of our clinical triage model, to increase the size of our transformation team, and to increase our nursing and therapy workforce.

Our year in review – families, young people's and children's services and learning disability services

Young people share #TenSecondTips for emotional wellbeing during lockdown

Young people in Leicester launched a social media campaign to support the mental wellbeing of their peers during the COVID-19 lockdown.

LPT's innovative Youth Advisory Board (YAB) shared short video clips highlighting a range of #TenSecondTips – simple actions to help young people feel better during the first lockdown.

YAB
Youth Advisory Board

Health visitors celebrated by local mums as their breastfeeding champions

Five of LPT's Healthy Together public health nurses (health visitors) were nominated by local mothers to receive Leicester Mammas Breastfeeding Champions Awards in recognition of the support and care they have provided.

Health visitors Debbie Carlyle, Thelma Katebe, Mary O'Callaghan, Angie Jones and Emily Grundy were all put forward for the awards by parents on their caseload because of the instrumental role they had played in the breastfeeding journeys of these families.

Scoring immunisations success through a partnership between Leicester City Football Club and the NHS

Our community immunisations service teamed up with Leicester City Football Club (LCFC) to continue its secondary school vaccination programme over the summer, ensuring that pupils in the city did not miss out on important vaccinations, despite the constraints of the Coronavirus pandemic. The team held three vaccinations sessions at the King Power Stadium in Leicester during August, which was large enough to enable social distancing.

Nasal flu vaccine offered to Year 7 pupils for the first time to maximise immunity

Our community immunisations team offered the nasal flu vaccine to pupils in Year 7 for the first time. As well as protecting children themselves, the vaccine helps stop the spread of the flu virus to friends, family and the wider community – especially important as the virus was circulating at the same time as coronavirus (Covid-19).

Awards recognition for digital innovations from our Healthy Together service

Two of our digital products designed to engage families and young people were in line for national awards, recognising the important role they have played in facilitating access to trusted health and wellbeing advice during the Covid-19 pandemic. The websites have seen a significant rise in visitors during the pandemic, with new Covid-19 content and resources for children, young people and parents.

Our confidential text message service ChatHealth, was shortlisted in the prestigious Nursing Times Awards 2020 in the Nursing in Mental Health category and in the Tech Project of the Year and #HealthTechToShoutAbout categories of the HTN Awards. Health for Under 5s was also named as a finalist in the Digital at the Point of Care category of the HTN awards.

The Healthy Together 0-19 service celebrated being named the overall winners of this year's Forward Healthcare Awards. Healthy Together's digital offer was a finalist in the 'Supporting Healthcare Teams through Technology' category, but was chosen by the judges out of 27 finalists across different categories as this year's overall winner.

Children and young people in Leicester, Leicestershire and Rutland set to benefit from additional mental health support in schools

We are proud to be leading the implementation of the Mental Health Support Teams in Schools (MHSTs) programme for Leicester, Leicestershire and Rutland (LLR) in partnership with Relate Leicestershire. The new service brought additional, targeted mental health expertise to more than 60 schools in the region at the beginning of 2021, benefiting some 24,000 pupils and their teachers.

Using video conferencing technology for patient consultations

Adult and Children's Speech and Language Therapy services at LPT have been successfully using video conferencing software to continue assessments and therapy appointments with patients.

Adult Speech and Language Therapy had planned to trial telehealth solutions prior to Covid-19, but this has been accelerated due to the demands of the pandemic and has allowed appointments with vulnerable and shielding patients to continue.

Vikas Nautiyal, an Adult's Speech and Language Therapist, works mainly with patients who have neurological conditions such as Parkinson's disease. His work involves helping patients with communication and swallowing difficulties. He said:

"Video conferencing has been a very useful tool in helping the team to keep in touch with patients on their current caseload, and to provide support when they aren't able to see patients in person because of social distancing (e.g. those with advanced MS/MMD/Alzheimer's who may be shielding)"

“Video consultations are better than telephone calls because it enables us to see the patient’s body posture/facial movements etc. While it can’t completely replace face-to-face, and isn’t suitable for all patients’ conditions, it is a great tool. In the longer term it will be good to continue this especially for elderly patients where travelling to clinics can be difficult. I have also done some calls with patients in care homes and have been able to carry out swallow observations during dinner times.”

Meanwhile, Children’s Speech and Language Therapy have been using video consultations with patients who have a range of needs, such as, speech sound difficulties, language difficulties, dysfluency (stammering), eating and drinking difficulties, communication aid users, and also with children born with cleft lip and palate.

New mental health facility is a Beacon of hope

We are delighted that our state-of-the-art, purpose-built £8m mental health facility for young people, ‘The Beacon’, welcomed its first inpatients in November 2020.

While the Covid-19 pandemic has led to the official opening ceremony being postponed, a virtual tour has been created to reveal what the facility offers. Watch here: https://youtu.be/puQHeQCZ6KE

The Beacon, named to represent hope for a brighter future, was co-designed by staff from LPT’s specialist child and adolescent mental health service (CAMHS) and young people. It offers a safe, welcoming and positive environment for individuals who need mental health inpatient care, supporting them, and their families, on the journey to recovery. The facility has 15 beds, an increase on the current 10 bed provision, and in future will be able to offer care for young people with eating disorders who require an inpatient stay. Young people have previously had to go out of area for this specialist care.

The Beacon is situated on the Glenfield Hospital Site in the heart of Leicester. As such, it is easily accessible by road and public transport, and is close to other mental health facilities such as the Bradgate Mental Health Unit, and Langley Ward at the Bennion Centre which provides inpatient and day care for adults with eating disorders. The CAMHS crisis and home treatment team is also based nearby at the Valentine Centre on Anstey Lane. This co-location of mental health services is in line with the Royal College of Psychiatry Quality Network for Inpatient CAMHS (QNIC) standards, the NHS England service specification for CAMHS and NICE guidance. It brings a number of benefits, including the facilitation of staff training and clinical supervision, as well as support in an emergency. Where appropriate, it will also help to ensure a smooth transition to adult services if required.

Five shining Cavell Star Awards for LPT colleagues

Five colleagues have received Cavell Star nursing awards for showing exceptional care both to their colleagues and to the families that they have worked with throughout the Covid-19 pandemic.

LPT Cavell Star Award winners (Left to right) Sarah Papworth, Tina Braham, Bhavika Pancholi, Baljinder Sanghera and Alison Barlow

Cavell Star Awards is a national awards programme that celebrates the dedication of nurses, midwives, nursing associates and healthcare assistants, and recognises the care they provide to patients and families as well as to colleagues.

Baljinder Sanghera, Sarah Papworth, Tina Braham and Bhavika Pancholi are all health visitors and Alison Barlow is a school

nurse at LPT. Both health visitors and school nurses have continued their work right through the pandemic supporting young people and their families.

Clinical team leader, Asha Day, who nominated her five colleagues said: “All five of my colleagues have gone above and beyond throughout the Covid-19 pandemic and have shown that they are true professionals in what they do. Our team of health visitors and school nurses are all frontline workers and have worked during the peaks of Covid-19. I feel privileged to work alongside not only those I nominated for the Cavell Star Awards but also my whole team as we really do come together to show exceptional compassion and care.”

Specialist vaccination appointments for patients with learning disabilities

Patients with acute learning disabilities and autism were invited to get their Covid-19 vaccinations at accessible and supportive clinics at the Peepul Centre in Leicester, as part of the LLR vaccination programme.

The sessions were set up quickly, with specialist learning disability nurses, doctors and support staff going the extra mile to enable patients to get their vaccine in a comfortable environment. The sessions were calm and additional time was provided for appointments to cater for patients’ needs. Colleagues also used creative distraction techniques, including flash mobs, superheroes and tap dancing to help achieve successful outcomes. The sessions captured the attention and were praised by TV presenter and radio DJ, Jo Whiley, whose sister has learning difficulties.

Learning disability QIP hits Year One milestone

In April the learning disability quality improvement plan (LD QIP) hit it’s first annual milestone. Despite the challenges and resource impact caused by Covid-19, the project team still managed to achieve key improvements: completing a financial plan for the service, facilitating the roll-out of SystmOne, carrying out full and detailed review of all existing pathways – as well as developing new pathways for forensic, trauma and the newly-launched Specialist Autism Team (SAT). In addition there was a focus on staff health and wellbeing, with the development of a new health and wellbeing plan and improvements to some clinical bases, with more planned for the future.

TCP begins journey to transform care for people with learning disabilities

In April 2020 we came together across Leicester, Leicestershire and Rutland to improve care for people with learning disabilities who were in hospital or likely to be admitted - and to ensure people with learning disabilities could live good fulfilling lives within their communities.

To achieve this, the Transforming Care Partnership (TCP) set about making the offer FIT:

- Focussed on our service users
- Integrated in the work we do
- Targeted to get the best outcomes for people

So far, the TCP has carried out annual health checks for people with a learning disability or autism in LLR than ever before, with 3234 this year (2765 in 2019/20) and reduced the number of people who are in hospital with a learning disability or autism by 29%. It also created an annual report of the learning and reviewed the learning from the death of any person in LLR who had a learning disability. In April 2021 the TCP will launch a new collaborative team of social workers, nurses, administrators and managers from local authorities, the CCGs and LPT to continue to build on this work.

Our year in review – enabling services

Students fast-tracked into workforce for extra support during the Covid-19 crisis

We welcomed our first group of student nurses and student physiotherapists, who have joined the workforce early as part of a fast-track training programme to support the COVID-19 response.

'Aspirant nurses' are students in their final six months of study, who have taken up full-time paid roles while being supported to complete their studies. The first cohort of 14 are now working in community hospitals and mental health wards across the Trust. Three physiotherapy students have also attended LPT's new clinical induction programme ready to start work as technical instructors at Loughborough Hospital. The students' experience has been planned in line with Health Education England's standards for the deployment of students in response to the COVID-19 crisis.

Daniel Given, student nurse at LPT, has taken up this opportunity and has started working at Watermead Ward at the Trust's Bradgate Mental Health Unit in Leicester.

He said: "I was genuinely excited to be given this opportunity. I was already on a placement at Watermead Ward, and the entire service has made it such a seamless transition from being a student.

New service launched to keep inpatients connected with their loved ones

The new message to a loved one service was launched by our patient experience team, to help our patients keep in touch with the people they care about while they are in hospital during the Covid-19 pandemic.

Keeping our patients safe is always our number one priority. In-line with guidance issued by NHS England on managing Covid-19 (coronavirus), we put in place visiting restrictions to all our hospitals, except for parents and carers of those under 18 or for vulnerable adults, to ensure we protect our patients, their families and our staff.

We recognise that not being able to see loved ones has a significant impact on our patients and the people they are close to. The message to a loved one service helps to bridge the gaps and enable people to feel connected to loved ones, through the patient experience team.

Alison Kirk, LPT's head of patient experience and involvement said "We hope that the message to a loved one service will bring happiness to our patients and their families. Contact with those you love is so important during this time and plays a crucial role in recovery."

Over £1000 raised for LPT's Covid-19 relief fund through selling local Sileby postcards

Raising Health set up a special Covid-19 relief fund to provide emergency funds to support staff at this incredibly difficult time and to provide additional resources for patients currently in their care.

Dr Andy Green, a local scientist, decided that he wanted to help LPT raise money for their charity Raising Health and raised over £1000. Andy, a keen

photographer, raised the money by taking photos of his local area, Sileby in Leicestershire. He then added the images to three different postcards which the local community have been able to purchase to send to their loved ones.

Positive impact of 'Wobble Rooms' on staff wellbeing recognised during Mental Health Awareness Week 2020

To support staff with their health and wellbeing during the demands of this unprecedented pandemic, 'Wobble Rooms' were set up in all areas. These dedicated rooms were set aside to enable staff to take a break, find a moment of calm away from their work environment, relax and reflect on what they were going through. Approximately 42 Wobble Rooms have been set up across our sites.

The wobble rooms are part of a wider range of health and wellbeing support for LPT staff, including resources and information on calming exercises and coping techniques, and signposting to psychological support options should they need immediate support – all available through a dedicated area on our staff intranet.

The wobble rooms have been funded by our Raising Health charity and from the national NHS Charities Together enabling the purchase of meditation books, 5-minute stress tip books, stress relief toys, jigsaws, mindful colouring books, hand creams and drinks, sweet and healthy treats. Many donations from local supporters were also distributed to staff through the wobble rooms to keep up staff morale and show they are valued.

iPads on every ward - another initiative to keep inpatients connected with their loved ones

We issued 37 iPads to all inpatient wards (community hospitals, learning disability and mental health units) so that patients can enjoy 'virtual visiting' with their loved ones whilst visiting was suspended.

We understand how difficult it must be for families and loved ones during this time. The distribution of iPads to all wards is part of a number of initiatives the Trust has introduced to ensure patients can stay in contact with their loved ones during their hospital stay.

Alison Kirk, Head of Patient Experience and Involvement commented on the impact this initiative is having on one of our wards caring for people with dementia: "Although many of our patients may not be able to speak to their families on the iPad, they will be able to see their faces which makes a real difference to them."

Linda Mellor, meaningful activity co-ordinator at Coalville Community Hospital shares the impact for patients: "So far it has been amazing, watching patients see their families for the first time in four weeks. It has been received positively by both patients and their families. It has been a fabulous tool to improve the patient's wellbeing and gives them a positive attitude – impacting on their recovery and goals. It is patient centred care at its best and I've seen tears of sadness from missing loved ones, but the big smiles on their faces is priceless.

LPT takes pride in commitment to LGBT+ service users and colleagues

Spectrum, LPT's support network for lesbian, gay, bisexual and transgender (LGBT) colleagues, hosted an internal Virtual Pride celebration for the Trust on Thursday 25 June. This was ahead of national NHS Virtual Pride the following day – organised by NHS England and Improvement – on the eve of what would have been London Pride 2020.

With Leicester Pride cancelled this year due to Covid-19, NHS Virtual Pride became an opportunity for staff to celebrate the achievements of LPT and our commitment to the LGBT community in Leicester and beyond. More than 2000 staff have pledged support by ordering rainbow badges distributed by the Spectrum support network.

LPT and NHFT celebrate their support of the first South Asian Heritage Month

Alongside our buddy Trust - Northamptonshire Healthcare NHS Foundation Trust (NHFT) – we partnered up to celebrate the first ever South Asian Heritage Month (18 July – 17 August 2020).

The awareness month recognises and celebrates the heritage, history and contributions of our diverse network of South Asian staff, service users, patients and carers; as well as our rich communities.

Colleagues from across the Trusts joined four sessions led by Asha Day and Doris Addo, LPT BAME network chair and NHFT BAME network chair, celebrating South Asian culture, including, history, health and wellbeing, religion and festivals.

Local mental health pharmacist takes on national role to help address health disparities

Dolly Sud, a specialist mental health pharmacist at LPT and final year PhD student at Aston University, has joined the Equally Well Clinical Group UK to help lead the national agenda towards improving the physical health of those who have a diagnosis of mental health illness.

LPT recognised as champions of race equality in national HSJ awards

We were proud to make the shortlist for the NHS Workplace Race Equality Award, as part of the annual Health Service Journal (HSJ) 2020 Awards - the most esteemed accolade of healthcare service excellence in the UK.

This award recognises initiatives which promote race equality and inclusion within the workplace, and improve the experience of Black, Asian and Minority Ethnic (BAME) staff. A wide variety of ideas have been employed at LPT to help drive the race equality and inclusion agenda forward, including:

- A public anti-racism campaign and statement of personal commitment from Angela Hillery, chief executive.
- A reverse mentoring programme where senior staff work to understand the lived experience of BAME staff to help identify weakness in progression and discriminatory practice.
- Cultural intelligence action learning sets with BAME staff sharing their lived experiences for group reflection.
- Mandating diverse representation on interview panels to encourage BAME staff to apply for more senior roles.
- Driving education and training (for both BAME and white staff) and supporting BAME staff on their career path.
- Regular listening events with our BAME staff to co-design an action plan to address issues, including collaboration to produce a risk assessment for our BAME staff to remain safe in Covid-19.

LPT recognised in the 'Oscars of healthcare'

Not only were LPT recognised in the Health Service Journal's (HSJ) virtual awards ceremony in the NHS Work Place Equality Award, highlighted above, but we were also shortlisted for the HSJ Partnership of the Year Award for the implementation of Autoplanner within district nursing.

We were also proud to see our chief executive, Angela Hillery, named by HSJ as one of the top 50 NHS CEOs in the country (shared role with NHFT).

LPT Chair Cathy Ellis, says: "Angela is a dedicated and inspirational healthcare leader, and it is fantastic that she has been recognised at a national level for her commitment to delivering outstanding and compassionate care. Many congratulations to both teams shortlisted at this year's awards. Let's be proud of how far we have come – being a finalist is a great achievement."

Covid Heroes

In recognition of the immense work of our staff and volunteers during the Covid-19 pandemic, we invited patients, service users, carers and staff to nominate them for our new Covid Heroes awards.

The Covid Heroes awards aim to recognise and celebrate individuals, teams and volunteers who have gone above and beyond throughout the Covid-19 pandemic, showing dedication and commitment to the trust's vision of 'creating high quality, compassionate care and wellbeing for all' and values of compassion, respect, integrity and trust.

These awards were in addition to our annual Celebrating Excellence Awards 2020, for which we received over 200 nominations. The awards ceremony has been delayed to April 2021 due to the pandemic restrictions, and will be held through a virtual online platform.

New Year honour for BAME staff network chair Asha Day

Asha Day, clinical team leader and BAME staff network lead at LPT, received the British Empire Medal for "services to the NHS and minority ethnic equality during the Covid response."

She said: “It is great to start the new year off with something so nice. I don’t know who has put me forward, they don’t tell you. I will probably celebrate with a takeaway, because I can’t go anywhere!”

Asha has worked for the NHS for 36 years, and is in her third role at LPT. She is a clinical team leader based in Leicester, leading a team of public health nurses (health visitors). During the pandemic she helped design a risk assessment, which looked at factors including staff members’ ethnicity and medical history before deciding what role they should play in caring for patients. This came after evidence that members of BAME (Black, Asian and Minority Ethnic) communities are likely to suffer significantly worse outcomes if they contract Covid-19 than white colleagues.

Over 70,000 vaccinated at mass vaccination centre

Over 70,000 patients have so far been vaccinated against Covid-19 at a mass vaccination centre set up and run by LPT staff at the Peepul Centre in Leicester.

The site began vaccinating members of the public from January 27, and have even included dedicated, longer calmer sessions for people with learning disabilities.

The centre is one of a network of 50 large scale centres across the country, capable of vaccinating thousands of people a week. Over 6.5million vaccines have so far been delivered in the East Midlands.

Hospital hubs were also set up for vaccinating staff and the public at Loughborough Hospital and Feilding Palmer hospital (pictured), and staff from LPT have also supported vaccinations at UHL hospital hubs.

Angela Hillery, chief executive of LPT said: “Our staff have been phenomenal in supporting the co-ordination and delivery of vaccinations to the health and social care workforce through the hospital hubs and the public vaccination programme at the Peepul Centre; I couldn’t thank them enough. We are very proud to be working alongside our wider NHS family to get as many people vaccinated as quickly as we can.”

Our year in review - fundraising

Raising Health

LeicesterShire and Rutland's
Community and Mental Health Charity

Our registered charity, Raising Health, plays an important part in improving the experience, care and wellbeing of our patients, service users and our staff. Our aim is to raise funds and spend them on the extras that are not covered by core NHS funding. If you would like to support or raise money for any of our current projects, please visit our website: www.raisinghealth.org.uk, email RaisingHealth@leicspart.nhs.uk or call 0116 295 0889.

During the Covid-19 pandemic, we were fortunate to benefit from the kindness and generosity of the people of Leicester, Leicestershire and Rutland. Our supporters, which included individuals, community groups and businesses made sure that our patients, staff and volunteers were in their thoughts during such challenging times. We were also supported by the fantastic fundraising of Captain Sir Tom Moore, who we continue to honour, using his legacy to support the health and wellbeing of our patients and staff. Here are some of our achievements throughout the year.

The Beacon Appeal

'The Beacon', our new 15-bed inpatient facility for young people, opened in the latter part of 2020.

We received valued support from groups and individual supporters, most notably were significant donations from Leicester City Football Club, Lutterworth Inner Wheel and Glenfield Parish Council which funded an astro-turf outdoor sports area and sensory equipment.

NHS Charities Together

We applied for and were awarded almost £300,000 in grants from NHS Charities Together. We used this money to:

NHS CHARITIES TOGETHER

- Create Wobble Rooms, which gave our staff a quiet space to reflect, relax and enjoy some fruit, snacks, drinks and treats.
- Purchase "boredom buster" items for inpatients such as portable radios and DVD players with single-use headphones.
- Deliver a Virtual Health & Wellbeing Festival for our staff.
- Our Board wanted to thank all staff for going above and beyond during the pandemic, so everyone received thank you letters and specially designed pin badges.
- Give grants to our staff network groups to ensure that our BAME and disabled colleagues were supported throughout the pandemic.
- Upgrade our staff rooms so that they are of a more consistent quality across LPT and are a comfortable space to relax and recharge.

Carlton Hayes Mental Health Charity

We continued to receive a grant from the Carlton Hayes Mental Health Charity. We delivered some amazing projects to support our patients with mental health conditions. Projects included photography sessions, cooking activities, arts and crafts, sensory equipment and books to help with recovery to name but a few.

Raising a Smile for Christmas

We set up an appeal to raise money to provide Christmas presents for our inpatients called “Raising a Smile for Christmas”. Many people supported this and we would like to express our thanks. We also had support from local Tesco Express stores who collected donations from their shoppers. We hope that it made Christmas Day that little bit more special and would like to add a note of thanks to our volunteer drivers who donated their time to distribute the presents.

An on-line raffle supported our LPT volunteers, with gifts donated by colleagues and two Asda stores. Our friends at Asda Thurmaston also donated a Christmas Tree for Bradgate Mental Health Unit’s garden.

Leicester City Football Club donated Christmas gifts for our young people at The Beacon and for our children under the care of our Diana Service.

Our corporate partners

Corporate partners both large and small rallied around to show their support for our hardworking staff throughout the Covid-19 pandemic. We had donations sometimes financially, but in other cases donations of goods or sponsorship.

We are truly grateful for this kindness and it would be remiss of us to mention some but not others. But alas, to say ‘Thank you’ to all of you.

More than £1000 raised for Bennion Centre in memory of beloved mother

Hina Anand, has raised more than £1000 in memory of her beloved mother, Madhuben Bhawsar by holding a three hour Facebook Live event where Hina sang prayers and Bollywood songs. The Facebook Live event has had over 1600 views.

The money that Hina raised, donated via Raising Health, will go specifically to the Bennion Centre where Madhuben was treated on and off for several years. Madhuben was 80 when she passed away in April this year.

The Bennion Centre, based on the Glenfield Hospital site, has two wards that currently treat older patients with mental health illnesses.

Hina and her mother Madhuben

Hina decided that she wanted to raise money for the Bennion Centre as her mother had received a lot of care from the staff on the Kirby Ward at the Bennion Centre.

Performance analysis

Our vision is 'creating high quality, compassionate care and wellbeing for all'. This is underpinned by ensuring the quality and safety of all our services. Our staff have worked hard to make significant positive progress in these areas, with some really outstanding practice. We know we have more to do.

Our strengthened vision and Step up to Great strategy has clearly defined our direction of travel for everyone. Aligned to this we have further strengthened our governance and assurance framework this year.

In addition, in response to the Covid-19 pandemic, we have put in place an incident control centre, reporting to the Covid Exec Gold command, which oversees a programme of workstreams and directorate silver cells to support our work in managing the national crisis at a Trust-wide and system level. This has been supported by additional resource at a programme management level and the introduction of a clinical reference group to ensure sign off of all clinical decisions to maintain quality and safety.

We have a continued focus on improving our culture, leadership and equality across the Trust, having co-designed leadership behaviours with our staff to help everybody to be a leader at LPT. These are:

- Valuing one another
- Recognising and valuing people's differences
- Working together
- Taking personal responsibility
- Always learning and improving

Over the last few months in responding to COVID-19, we have seen countless examples of our staff demonstrating our leadership behaviours. We will focus on building on this, continuing to work together so that we can achieve the culture we aspire to.

The impact of the Covid-19 pandemic on Quality

In March 2020, the impact of the Covid-19 pandemic meant we had to significantly change the way in which we deliver services to keep both our patients, communities and staff safe. We had to adjust to new ways of working and think about how we would deliver on quality improvement moving forward as our priority shifted to safety across all our services.

Not only did the pandemic affect our patients, carers and our communities it also impacted significantly on our staff. It changed the way in which our patients and service users could access services, receive timely care and how carers and loved ones could visit and stay connected with patients who were in our inpatient settings. Our staff had to adapt through increased use of Personal Protective Equipment and changes in care delivery and practise. The pandemic impacted on the way we connect and respond to our service users, hence we changed the way we managed our complaints, the implementation of our new Friends and

Family system to get feedback from people who use our services and how also how we undertook engagement.

Here is just a snapshot of some of the work that has been undertaken in response to the pandemic, some of which is highlighted in more detail in the Year in Review section:

- Established an incident control centre to ensure clear oversight of our decisions and ensure national guidance was implemented. This centre has been running since 10 March 2020 - seven days a week.
- Extended our Patient Advice and Liaison Services (PALS) to a seven-day service
- Established the 'Message to a Loved One Scheme'. The scheme facilitates the sharing of messages between patients who are currently not able to receive visitors due to Covid-19 and their loved ones. The scheme is available to all inpatients across the Trust.
- Set up all inpatient wards with iPads to enable patients to make FaceTime and Skype calls to their families.
- Paused the delivery of the Friends and Family Test in line with national guidance.
- Paused the investigation of clinical and medical complaints from 1 April 2020 for a period of three months in line with national guidance.
- Involvement with service users and carers moved to online formats using digital media and email.
- Captured real-time feedback from those service users who used virtual communications to access their healthcare appointments e.g. via online platforms
- Launched a mental health Central Access Point telephone line and urgent care hub in response to national guidance for enhanced mental health crisis response during the pandemic. We will be undertaking a public consultation to embed these initiatives within the service permanently due to their success.
- The infection prevention control team oversaw all new action cards in relation to infection prevention control to ensure adherence to national guidance in keeping our environments and ways of working safe for patients and service users.
- The procurement team set up a comprehensive PPE (personal protective equipment) supply and distribution chain to ensure all staff across the Trust had timely access to keep them safe.
- Worked with our partners across health and social care to increase beds as demands changed over the year, setting up new wards in our community hospitals and working with private providers where necessary to support our acute hospitals. Hundreds of staff were redeployed to support this effort in the first surge.
- Reorganised our inpatient wards to reduce the spread of transmission and implement Covid-secure ways of working, including the introduction of red and green wards to separate care for Covid-positive patients.
- The use of virtual wards to monitor and support patients at home through the use of enhanced technology, as well the more support through virtual consultations, videos for after care and recovery at home, and ongoing use of our digital offer including our Healthy Together websites and secure Chathealth messaging.
- Led the set up of the COVID -19 vaccinations programme through two of our hospital hubs, a mass vaccination centre, and supporting other hospital hubs. This included bespoke sessions for people with learning disabilities which received regional and national PR recognition. LPT was also the lead agency for the system Workforce Bureau to recruit and provide vaccination staffing to primary care partners as well as other sites. This also included procurement of a voluntary sector partner to recruit and manage volunteers to support the programme.

More detail on our quality improvement journey can be found in our Quality Account 2020/21.

Throughout the pandemic, the health and well being of our staff has remained paramount.

- We have ensured regular communication with our staff to support them with keeping safe.
- We have provided them with easy access to regular health and wellbeing information.
- We have successfully obtained funding as a system to set up a staff mental health and wellbeing hub for health and social care staff across Leicester, Leicestershire and Rutland. LPT are the lead

agency on this, and have co-ordinated the offer with our system partners to fast track access to mental health and wellbeing psychological support, as well as an online portal signposting available support at organisational and national level. See more at https://www.llrstaffwellbeing.org/

- We have written to thank all our staff and co-designed a commemorative pin badge for all staff. We have also written to their children and loved ones to say thank you for supporting our LPT family. And we have mailed out a Taking Care of You booklet with health and wellbeing resources to all staff so they have this information easily to hand at home. We have run a Covid Heroes award scheme to continue to recognise and thank our staff for the immense work they have put in over the last year in responding to the pandemic.

Ensuring quality of services

LPT has reviewed all the data available on the quality of care in all 99 of our health services, both for services directly provided and for those services subcontracted. Robust monitoring both externally with commissioners (via contractual requirements to monitor agreed clinical quality performance indicators) and internally (via performance reviews and quality reports) ensures the highest standards are adhered to in the areas of infection control, patient safety, service user and carer experience, safeguarding, clinical effectiveness and compliance with regulatory requirements.

The income generated by the relevant NHS services reviewed in 2020-21 represents 100% of the total income generated from the provision of relevant health services by the Trust for 2020-21.

Due to the pandemic the decision was taken by NHSE/I to nationally postpone CQUINs for 2021/21, hence no monetary income was received in 2020/21 that was conditional on achieving quality improvement and innovation goals.

We have developed an internal accreditation scheme as a tool and process to assess the quality across all clinical areas. Due to Covid-19 initial aspirations to have all inpatient areas assessed by March 2021 have been delayed. However the new tool was been piloted on Heather Ward (May) and two further wards have completed the accreditation process, Coleman Ward (September) Bosworth Ward (October). Both wards achieved a silver rating.

Through external accreditation Kirby ward, Welford ward, and the Agnes Unit all received external accreditations in 2019, however as a result of COVID much of the external accreditation schemes were paused in line with national guidance.

Single EPR vision achieved in midst of pandemic

Our mental health and learning disabilities services went live with SystmOne as a single electronic patient record system across LPT.

The successful launch was the biggest single-day go-live our Trust has undertaken, with more than 2,000 staff involved and the migration of some 90,000 patient records from RiO to SystmOne.

It also saw us realise one of our nine Step up to Great priorities, aligning services not only inside our Trust but also with the majority of primary care providers across Leicester, Leicestershire and Rutland. Around 90 per cent of patients' GP records are held on SystmOne.

The move from Rio to SystmOne will help us to increase efficiency, reduce risks and improve the patient experience both in LPT and in the majority of primary care practices.

Executive lead for the project David Williams (pictured right) said: “This is a significant moment for LPT, an achievement of a key part of Step up to Great and one that will provide big benefits to patients as we will have community care, primary care and mental health working on the same patient system.”

Research and quality improvement

Although 60% of research active at the start of the pandemic was closed or suspended, the Trust was able to maintain support for a substantial number of “Tier 3” portfolio studies. These studies included “Genetic Links to Anxiety and Depression”, SPRINT (ASD IN Adult Inpatients), CAP-MEM (Prevalence of memory problems in the elderly). This proportion was in line with similar providers and was maintained despite losing several senior delivery staff over the year. The Trust continued to be in the top 10 for the number of staff who had completed dementia research awareness training run by the initiative Join Dementia Research. This reflects the efforts and commitment for dementia research.

During 2020/21, the Trust’s Clinical Audit Team supported 96 clinical audits. Around 100 audit criteria have been used in completed audits to re-audit whether standards have been applied to practice, for the benefit of patients in our care. They have become the ‘Core QI Advisors’ for our Improvement Knowledge Hub (IKH), expanding their remit to support our WeImproveQ quality improvement framework for staff and services. Clinical audit is still a major part of our work and this is now supported within a quality improvement framework which will strengthen the impact of audit outcomes and structure this into embedding sustainable changes in clinical practice. Particular highlights include:

- The implementation of a series of 1-hour quality improvement work-based learning training sessions – called QI in a Box – which covers the fundamentals of quality improvement, build capability to carry out effective quality improvement work.
- The IKH Core Team of Advisors team regularly engage through communities of practice for learning and share learning from their membership of the East Midlands Clinical Audit Support Network, as part of a network of high performing trusts with ratings of ‘outstanding’’, and working with our buddy trust Northamptonshire Healthcare Foundation Trust.

Care Quality Commission (CQC) ratings

The Trust has not been inspected as anticipated during 2020 due to the ongoing COVID-19 pandemic, hence the current CQC inspections report remains from 2018/19. However, contact has been maintained with the local CQC inspection team throughout the year to keep them informed of progress and achievements, and to respond to any issues or queries that have arisen.

The CQC issued a Warning Notice to the Trust on 30th January 2019. This was served under section 29A of the Health and Social Care Act 2008. An immediate improvement plan, embedded into our Step up to Great objectives, was developed in response to weaknesses identified during the inspection, in particular the nine key improvement areas highlighted within the warning notice. This has led to significant progress and helped embed change across the Trust. We have also developed an action plan to build on our governance arrangements, resulting in a revised governance framework and a strengthened approach to managing risk. A follow up inspection took place in June 2019 and we were pleased that the CQC found significant improvements had been made. The CQC Warning Notice has been removed since then which is a testament to the hard work of staff.

Current trust-wide ratings as at 2018/19

	Safe	Effective	Caring	Responsive	Well-led	Overall
Community	Good → ← Jan 2018	Requires improvement → ← Jan 2018	Good → ← Jan 2018	Good → ← Jan 2018	Requires improvement → ← Jan 2018	Requires improvement → ← Jan 2018
Mental health	Requires improvement → ← Feb 2019	Requires improvement → ← Feb 2019	Good → ← Feb 2019	Requires improvement → ← Feb 2019	Inadequate ↓ Feb 2019	Requires improvement → ← Feb 2019
Overall trust	Requires improvement → ← Feb 2019	Requires improvement → ← Feb 2019	Good → ← Feb 2019	Requires improvement → ← Feb 2019	Inadequate ↓ Feb 2019	Requires improvement → ← Feb 2019

The Trust's risk and performance management arrangements inherently support the monitoring of ongoing compliance with the requirements for registration set by the CQC. Any risk to compliance identified through routine performance monitoring is escalated through the Trust's risk management framework. The Trust also has a strategic risk on the Organisations Risk Register (No. 5) 'capacity and capability to deliver regulator standards'.

A range of mechanisms is in place to monitor compliance with the CQC's five domains of safe, effective, caring, responsive and well-led. In addition to the range of metrics included within the performance report and other assurances received such as patient safety and clinical effectiveness reporting, there is regular oversight and scrutiny of compliance with registration and the fundamental standards;

- The Foundation for Great Patient Care meeting monitors progress against CQC improvement action and includes deep dive presentations. A highlight report from the Foundation for Great Patient Care is presented to the Quality Forum with the escalation of any concerns.
- The Strategic Executive Board receives a monthly update on CQC related activity and identifies any concerns raised by the Quality Forum in its highlight report to the Quality Assurance Committee.
- The Quality Assurance Committee receives a regular update on CQC related activity and provides an assurance rating to the Trust Board via its highlight report. This is also discussed at the Strategic Executive Board.
- The Audit and Assurance Committee received a deep dive review of CQC registration compliance in 2021. This included a summary of changes made to the statement of purpose during the year following the closure, change or recovery of services impacted by Covid-19. It has also provided assurance over the registration of vaccination centres.
- The Trust Board receives an update on key strategic level developments relating to the CQC. This year updates have included a briefing the CQC's Emergency Support Framework and the Transitional Regulatory Approach.

The Board has agreed statements on the Well Led key lines of enquiry; these have been developed with a library of supporting evidence, and an improvement plan monitored by the Executive Team.

Under transitional monitoring review arrangements introduced by the CQC during 2020/21 the Trust has participated in a virtual review with no matters raised for immediate escalation.

Some highlights in our improvement journey over the last year:

- We have undertaken significant quality improvement work since the last inspection to address maintenance issues at the Bradgate Mental Health Unit, while the overall environment has been improved following completion of a refurbishment programme for all wards. New systems are in place for staff to report any repairs or maintenance issues.
- Improvements in ligature risk assessment compliance have also been made, with an ongoing audit programme to assure best practice is in place.
- Quality Improvement cycles have been introduced and, as a result, have improved how staff record a patient's physical healthcare.
- We have ensured patients' privacy and dignity is maintained when receiving physical health observations. Clear guidelines are now in place on where and how physical health observations should be carried out on wards.
- There is ongoing improvement work in relation to medicines management. Training sessions have been undertaken with inpatient Ward Sisters and Charge Nurses. This includes specific focus on labelling, disposal, reconciliation and ward level audit.
- Improvements have also been made to improve compliance with the no smoking policy at the Bradgate Mental Health Unit. We have introduced a temporary addendum to the existing smoke free policy during Covid to ensure patient safety. Patients continue to be offered a variety of 'stop' treatments including nicotine replacement therapy (NRT) or free vapes.
- Fire safety has been improved, with fire drills carried out regularly. Personal Emergency Evacuation Plans (PEEP) have been developed in partnership with patients who may not be able to reach a place of safety unaided.

- We have introduced robust seclusion paperwork with ongoing training for our staff, and this has proved to be very positive. A full audit schedule is in place to monitor compliance.
- We have effectively reduced length of stay in hospital; Community services have consistently met the national target and mental health teams have significantly reduced length of stay.

Public reports which detail the full findings of inspections made to Leicestershire Partnership NHS Trust can be accessed via the CQC website. https://www.cqc.org.uk/provider/RT5

Financial performance

Information on our financial performance is included in the appendices.

Sustainability report

Procurement

We work with Crown Commercial Services and many other key stakeholders to develop a more sustainable approach to purchasing goods and services, bringing benefits for the environment, society and the economy. Guidance on procurement of services and goods is set out to ensure we meet the requirements of the 2012 Public Services (Social Value) Act. Our sustainable approach is part of the work underpinning the CSR strategy.

We remained committed to reducing the amount of domestic waste being generated by the Trust and redirecting it into the dry mixed recycle waste stream. We are also sourcing non-plastic alternatives to reduce the amount of plastic that we send to landfill. We have an online physical asset re-cycle database ('Warp-it') for use by all staff so as to minimise disposals of unwanted but fit for purpose office and medical physical assets.

Anti-fraud, bribery and corruption

While the majority of people who work in and use the NHS are honest, a minority continue to defraud it of its valuable resources. NHS Counter Fraud Authority and the Trust's Counter Fraud Specialist (CFS) are responsible for tackling all types of fraud and corruption in the NHS and protecting resources so that they can be used to provide the best possible patient care.

Our anti-fraud, bribery and corruption service provider, 360 Assurance, provides us with qualified and accredited CFS support. Due to the Covid-19 pandemic, the CFS sought to maximise the gathering of information and intelligence about Covid-19 related fraud risks, informing the organisation about its greatest threats and necessary preventative actions. This included:

- Arranging for national risks to be shared across the NHS Counter Fraud Managers Group, with the Trust's CFS acting as national coordinator.
- Developed a range of briefing papers relating to identified Covid-19 fraud risks.
- Continued the Trust's participation with the National Fraud Initiative.
- Worked with partner organisations to complete referral benchmarking across the country.
- Issued local warnings, fraud prevention notices and intelligence bulletins relating to new frauds or methods of attack.
- Developing The Ultimate Guide to Cyber Crime to give staff key information about cyber risks.
- Investigating allegations of fraud, bribery and corruption as required.

Work was carried out in compliance with the Standards for Providers: fraud, bribery and corruption, published by NHS Counter Fraud Authority. From April 2021 these standards are being replaced by Functional Standard 013: Counter Fraud.

Social responsibility and involvement

Placing patients, carers and their families at the centre of everything we do is key to 'creating high quality, compassionate care and wellbeing for all'.

Our ambition for patient experience and involvement is to provide services with patients at the heart of them – services that listens to patient and family needs, and then utilises the skills and expertise of both the clinician and patient to design the experience to meet these needs. That's what using patient experience information is all about. Ultimately by consistently asking people whether they are receiving the care they need and then improving things on the basis of what they tell us, will help patients feel more supported and better cared for.

Impact of Covid 19

In March 2020 the impact of the Covid 19 pandemic meant that the way we worked changed. This meant that we had to adjust our ways of working and how we would deliver on our priorities for the year.

The pandemic impacted on the way we managed our complaints, the implementation of our new Friends and Family system and how we undertook engagement with our service users and carers. However, we did continue to work to deliver our priorities, albeit in different ways, as outlined in our performance report.

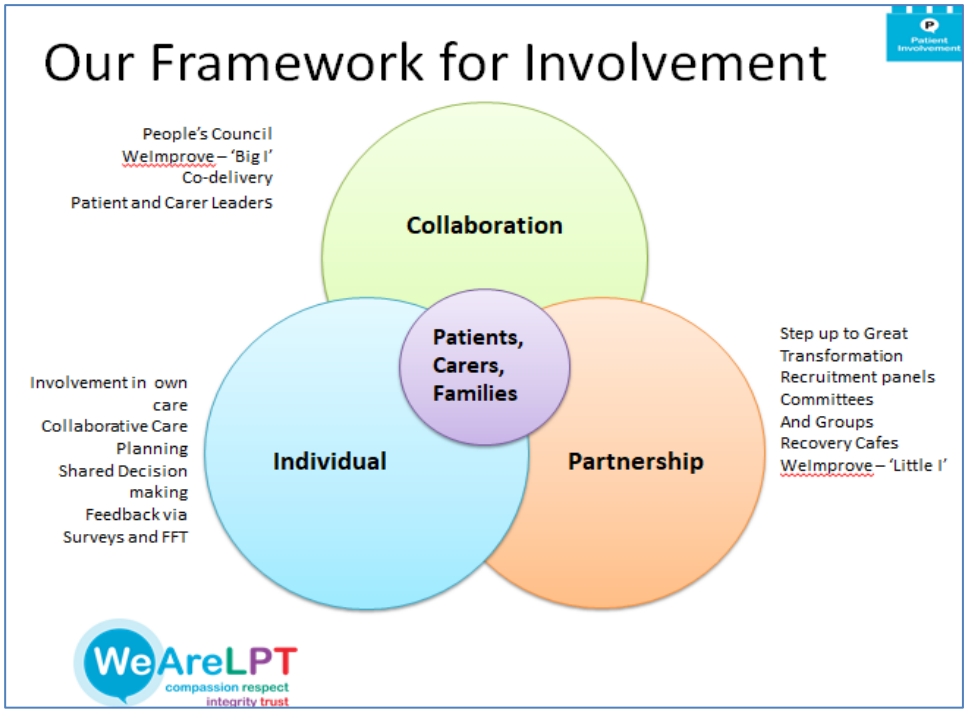
What did we do and achieve?

As we enter the third year of our three-year delivery plan we have now laid down our foundations for high quality, sustainable and influential patient and carer involvement. This proactive Patient Experience and Involvement Delivery Plan set out our approach to delivering our Patient Involvement priority, and is designed to ensure we deliver continuous improvement in patient and carer involvement and experience of care delivered by our Trust.

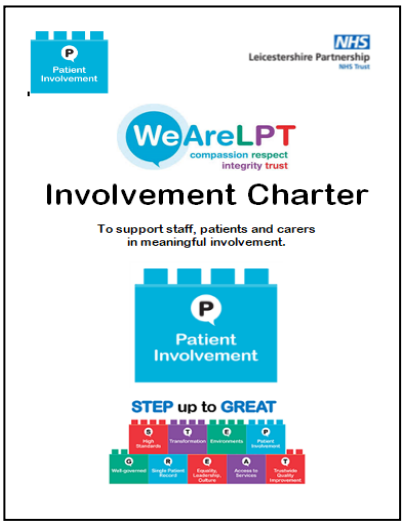
Our strategic ambitions for patient and carer involvement and experience are:

- We will make is easy and straight forward for people to share their experiences
- We will increase the numbers of people who are positively participating in their care and service improvement
- We will improve the experience of people who use or who are impacted by our services

Our approach has been to work collaboratively with our patients, carers and staff, recognising the lived experience, knowledge and skills that individuals can offer. In order to build capacity and capability across the Trust we have developed our Framework for Involvement.



Examples of how we are developing our Framework for Involvement:



- Co-designed a pathway for service user/carer involvement, which includes an 'Expression of Interest' form, and 'Skills Audit' in order to match people to projects as well as enabling us to get to know people beyond their conditions.
- A registration process to sign up to our service user/carer network
- Creation of a new Involvement leaflet to grow our network for involvement
- Co-created a Trust Involvement Charter which encompasses how staff and service users/carers will work together, as well as a code of conduct which is underpinned by our values of Compassion, Respect, Integrity, and Trust
- Co-creation of an 'Activity Brief and Agreement Form'. A signed agreement between the service and individual involved, outlining the level of commitment, agreed role description, and type of reward/recognition offered.
- A working group establishing patient-led questions, value statements and scenarios to be used within recruitment processes. These questions will be based on our Trust's new leadership behaviours framework.
- Reward and Recognition policy created from best practice and informed by active engagement and individual feedback is currently in consultation.
- Twelve patients and service users have taken part in our first Patient and Carer Leadership Programme. The aim of the programme is to support our patient and carer leaders to develop their skills and confidence in their involvement roles. Planning is now taking place for these individuals to work more collaboratively alongside staff.
- Co-designed our "Introduction to Involvement" workshop. The workshop is offered to everyone who signs up for involvement with our Trust. The sessions which have been designed with our involvement network members include:

Introduction to Involvement	Strategic Workshop	Recruitment Training
Working together as equal partners	Setting out local and national context	Recruitment & selection process
LPT's Involvement Framework	An introduction to the NHS	Job description & person specification
LPT's Involvement Charter	How does the NHS in England work	Interview questions/presentation
Confidentiality agreement	Integrated care systems	Types of involvement in recruitment
Skills, Experience, Needs & Interests form	What is 'Step up to Great'	Confidentiality
Support & training we offer	Support LPT can give you	Do's and don'ts of interviewing
Reward & recognition policy		Recording/scoring the interview

Examples of Involvement from across the Trust

- **Mental Health and Wellbeing Workbook.** A small group of people from the service user and carer network have worked collaboratively with staff to co-produce and design a Mental Health and Wellbeing Workbook. The workbook is aimed at those who maybe struggling throughout the Covid-19 pandemic including service users/carers, staff and the people of Leicester, Leicestershire and Rutland. The book is available in a range of languages.

- **Relaunch of the monthly virtual Recovery and Collaborative Care Planning Cafes**. The cafes are a shared space for staff, service users, carers, and VCS groups to come together around the collaborative care planning, and the mental health recovery concept of CHIME (Connectedness, Hope, Identity, Meaning and Empowerment), with each café being themed around a CHIME concept. You can find out about the history of the cafes via this link: *https://www.leicspart.nhs.uk/wp-content/uploads/2020/11/What-are-the-Recovery-Cafes.pdf*
- **Learning Disabilities Talk and Listen Group.** The Talk and Listen Group comprises of 15 people with Learning Disabilities who provide advice and consultation to services or individuals on the best ways to involve and provide services for People with Learning Disabilities. They meet monthly and are supported by Speech and Language Therapist Team.
- **The Eating Disorder team have designed a Moving On booklet** in collaboration with young people from the inpatient unit, along with young people who accessed group work at Artemis House, to support young people when being discharged from the service. The booklet includes key information to support safe/smooth discharge, wellbeing and personalised helpful information to reflect on post CAMHS interventions, and is currently being trialled across various teams in CAMHS before further adoption.
- **The Agnes Unit My Voice project**. It was identified that learning disability patients at the unit required a new format in order to share their views. This has included the implementation of the 'My Voice' document on all pods so that patients are able to organise their thoughts in preparations for meetings, whether that be weekly ward rounds, a review, or as an opportunity to provide general feedback to the service. Meetings now also start with the patients views at the core of the agenda, and supported by the family's views where appropriate. Whereas previously meetings were organised for patients to join in at the end, they are now starting with the patients views at the beginning to ensure their involvement in decisions.
- **Virtual carer forums are in place in our Mental Health Services for Older People** for those who care for patients staying at the Bennion Centre. The service have also set up a group for grown-up children who have parents on our wards as it was identified that there was no support available for this group. This has been well received by those who attend and addresses a gap in support for those family members who are not direct carers but who have family members in our services.

LPT Youth Advisory Board (YAB)

The YAB was established as a partnership between Leicester City Council (Rights & Participation Service) and Leicestershire Partnership NHS Trust in November 2019. The board was in response to a large scale enquiry into the mental health services for children and young people undertaken by the local authority youth council. The project report 'Generation Select" held a public inquiry into mental health services for children and young people, amongst its numerous recommendations, it was identified by CAMHS senior leaders that participation of young people, including service users in service planning, delivery and evaluation was not consistent. The work of the YAB over the last year has included:

- Christmas Treat/Food Parcel Appeal has raised £520, to create 38 large packages made up of food and Christmas treats with bespoke parcels for Eating Disorder patients,distributed to Valentines, Westcotes, Rothsay and Mawson House bases in December. Clinicians feedback has been positive in relation to the impact on families.
- Scoring pre-interview question submissions for the FYPC.LD Lead Nurse Post, sharing a discussion with the Director of FYPC.LD
- YAB member was on the virtual interview panel for a band 6/7 mental health support worker.
- The CAHMS occupational therapy team involved YAB in a Play project, through two sessions to support the planning of the project within the service.
- Involvement in the design of the new CAMHS Beacon Unit logo along with children and young people on the ward

People's Council

In September 2020 we launched our People's Council. The aim of the People's Council is to act as an advisory body for the Trust. The diverse membership is made up of individuals with a lived experience of receiving healthcare services from LPT, through our Patient and Carer Leaders and Voluntary and Community Sector organisations and groups who work with different communities across Leicester, Leicestershire and Rutland. The Council is chaired by Mark Farmer from Healthwatch.

Providing an independent voice to make LPT services great for all

The Council have created their vision:

"To be an independent voice to ensure that LPT services are great for all"

The first three months for the Council have focused on building relationships and getting to know each other. This has taken time due to the way the members have to meet virtually in response to the ongoing pandemic. Through an approach of true coproduction, the Council and its members have been making changes along the way in response to discussion and feedback and jointly deciding on how it will operate, its values and vision.

Complaints

There was significant impact from COVID-19 on how the Trust delivered its complaints function throughout the year. During the first wave of the pandemic we took a carefully considered decision, in line with national guidance, to place a pause on the complaint process to help staff focus on their frontline duties. Throughout the period of pause, the Complaints Team continued to work with anyone wishing to raise concerns to try and seek informal resolution in the first instance and, where this was not possible, their concerns were formally registered.

The Complaints Team implemented a revised complaint management document which emphasises the requirement and needs of the complainant but equally as important learning and action planning. There have also been changes to improve the link between the concerns in the complaint and patient safety; this has been further supported by the attendance from the Complaints Team at the Weekly Incident Review Group.

The introduction of Complaint Clinic's has seen an improvement in the management of complaints and the quality of final response letters. The clinics are facilitated by the Director of Nursing, Quality and AHP's and supported by the Lead Nurse for Patient Safety and Complaints Manager.

How did we do?

Did we achieve what we set out to do in this priority?	GREEN	The Trust feels that it did achieve the priority during the year. The Trust will continue to seek methods of improving the communication with service users, carers as required by the strategy that has been introduced
Priorities	**We said we would**	**What we did**
We will make is easy and straight forward for people to share their experiences	• Implement real time patient experience questions pilot • Launch real time patient experience questions Trust wide	• Co-designed patient experience questions patients and service users. • 5 patient experience questions are now being asked alongside the new FFT question (from December 2020)
We will increase the numbers of people who are positively participating in their care and in service	• Start co-design of 'Experts by experience' programme • Launch People's Council • Launch new Experts by Experience programme	• Patient and Carer Leadership Programme delivered to 12 participants • People's Council launched in September 2020

improvement	• Launch staff QI training for patient experience and involvement	• Patient Engagement Planning Toolkit launched; Patient Engagement QI in a box now available
We will improve the experience of people who use or who are impacted by our services:	• Implement a patient satisfaction survey for complaints • Update complaints policy with new complaints process • Finalise complaints and incident investigator model	• New complaints satisfaction survey launched in October 2020 • New complaints and concerns policy in place with supporting management documents • Complaints model now aligned with our buddy Trust NHFT and operating processes established with directorates

Community Mental Health Survey 2020

The results from the 2020 annual Community Mental Health Survey were published by the CQC in November 2020. The survey is run on paper only. Survey fieldwork took place between February and June 2020. The sample for the survey was generated at random on the agreed national protocol from all service users on the CPA and Non-CPA Register seen between 1st September and 30th November 2019.

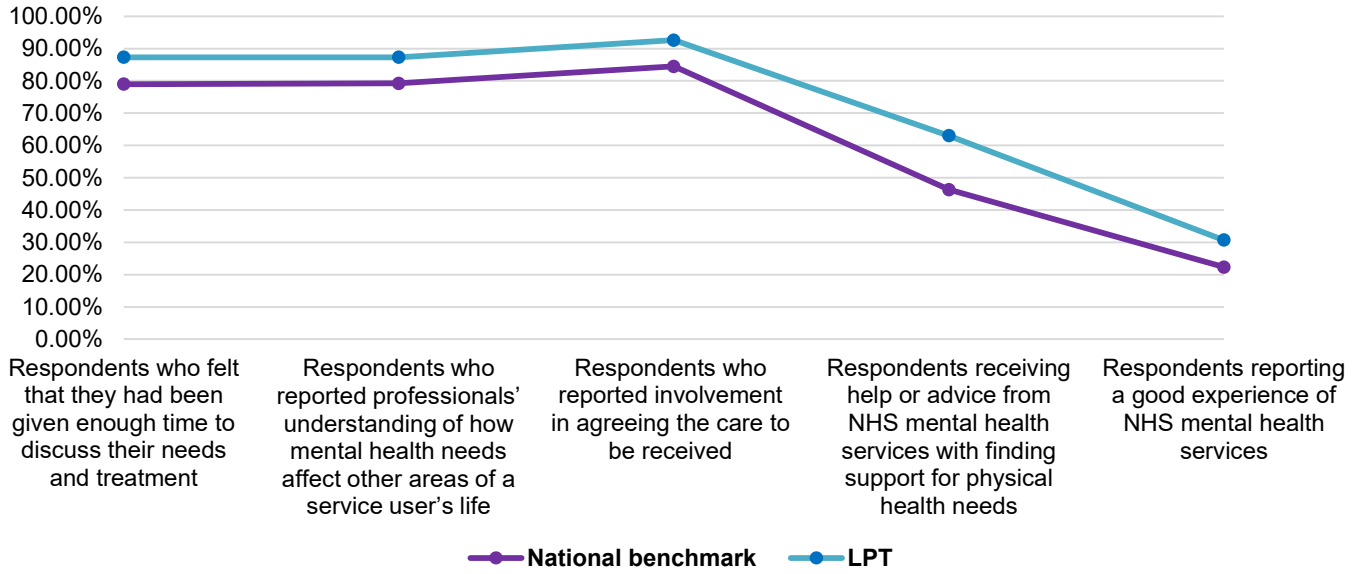
In Leicestershire Partnership NHS Trust, no respondents said that they had never seen anyone from NHS mental health services. Of the 365 completed surveys returned from the basic sample of 1250, 28 were excluded for the following: moved / not known at address (21); ineligible (1); deceased (6). The response rate was 30% (365 usable responses from a usable sample of 1222).

The majority of scores within LPT's results sit in the intermediate 60% of the Trusts surveyed by Quality Health, although there are also a number (over a third) that fall into the bottom 20% range, particularly in relation to Support and Wellbeing. However, there is a trend of positive change in many of the scores.

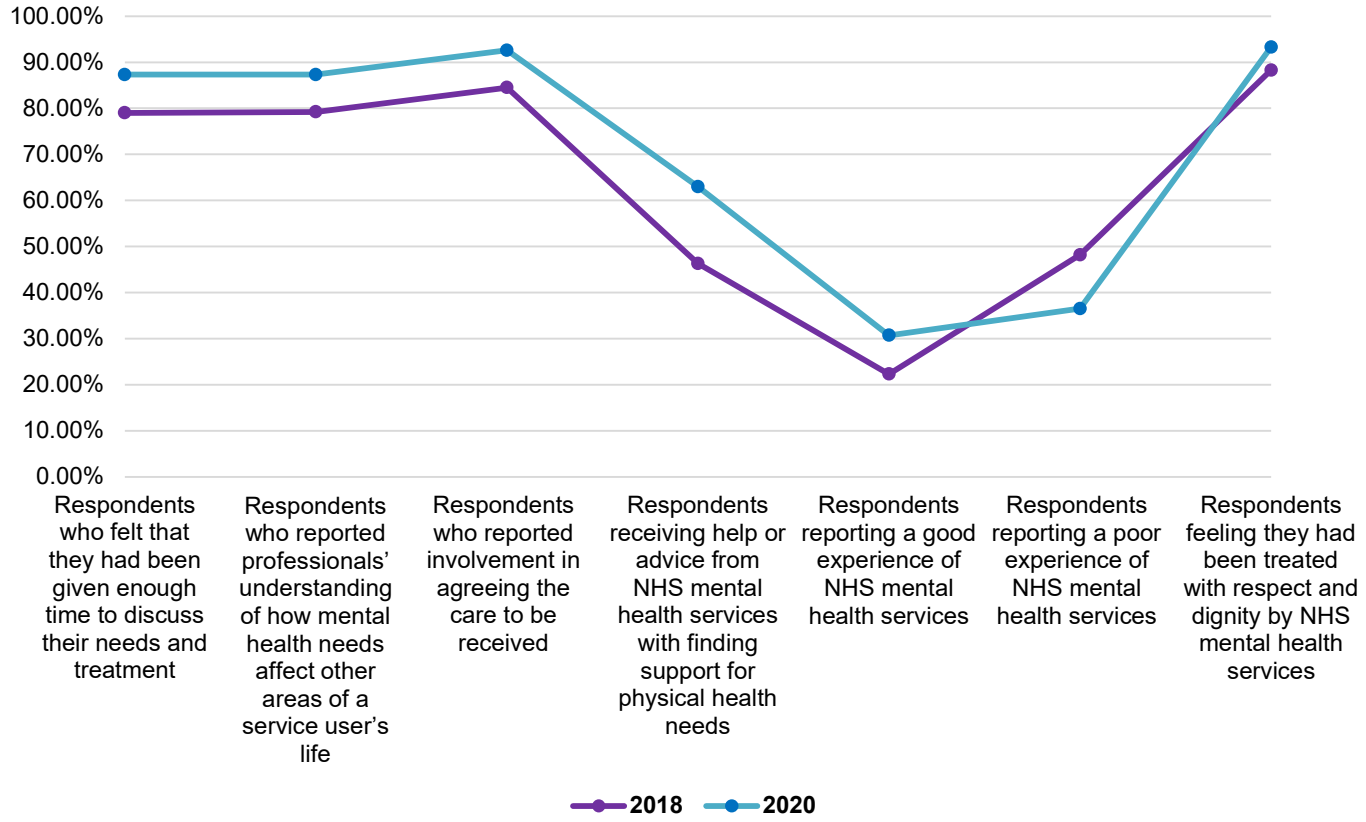
Many scores continue to show improvement and there are more scores in the intermediate range than bottom now. The score for overall rating of care has moved from the bottom to intermediate range. Older adults continue to report more positively.

Like many other Trusts scores around support and wellbeing, and gathering feedback are the lowest. There appears to be an ongoing issue around Service Users knowing who to contact when in a crisis – especially Older Adults.

Areas where the Trust scored below the national average score:



Areas where the Trust scores improved compared to 2018 results:



The improvements seen in 2020 clearly demonstrate the impact of the ongoing transformation work taking place within mental health services, these include the introduction of collaborative care planning which can be aligned to the improvement in scores in Planning Care and Treatment and Organising Your Care. It must also be noted that there have been improvements in experience in all aspects of involvement in relation of medicines and again reflects the work undertaken in relation to medication over the last 18 months and in response to the CQC findings.

Trust Membership

Our public membership scheme is in its 12th year. Our members are people who are interested in what is happening in the NHS and specifically LPT. We aim to keep our members informed and connected to developments in the Trust's services, and invite them as often as possible to contribute their views and join in with events. We have 2,466 members who we keep informed with updates and invitations. Our Membership Charter is a simple guide to two-way engagement with our members:

What we will do:

- Keep you informed of changes to services
- Send you surveys for your opinion on possible developments to services
- Send you information about the Trust and invitations to events of interest
- Ensure membership is representative of our local population

What you can do:

- Feedback your views and your interests in services
- Participate in surveys if you have an interest

- Attend events if possible
- Keep us up to date about your contact details by emailing us at membership@leicspart.nhs.uk stating your name and current postal address

Membership strengthens the links between healthcare services and the local community. We want our services to be shaped with input from those that receive them. We have worked with others in the Trust and our stakeholders to find ways of reaching a range of communities. Our membership is open to anyone over the age of 16 who lives in Leicester Leicestershire and Rutland, and other parts of England.

You can find further information about becoming a member and opportunities to engage with the Trust at: www.leicspart.nhs.uk or via email at: membership@leicspart.nhs.uk.

Volunteering

Since the outbreak of the pandemic, most of the volunteering activities were either stood down or reconfigured to support services. The number of volunteers has significantly reduced since the pandemic. The volunteering team are supporting active volunteers who are carrying out roles differently, currently looking at recovering roles, bringing volunteers back and recruiting more volunteers.

LPT is a (bread) winner at the national Patient Experience Network awards 2020

A groundbreaking mental health project, run by volunteers at LPT, has won a national patient experience award. The 'Knead to Chat' project, which uses the art of bread-making to help patients tackle mental health challenges, was announced as the winner of the Environment of Care Award at a virtual ceremony held by the Patient Experience Network on 14 September 2020.

Knead to Chat helps patients to develop a social network to support and enrich their lives, and to give them time to reflect on what matters to them.

Malcolm Heaven has continued to support staff through the pandemic through his 'hug in a mug' scheme, making thousands of helpings of soup and bread to share with staff and patients in our wards. He won our Volunteer of the Year award in our 2020 Celebrating Excellence Awards.

LPT volunteer becomes an LCFC champion

Rich Wallis, from Leicester, was one of 200 people nominated to become a Leicester City Football Club (LCFC) 'Our LCFC Champion'.

Rich has been an LPT volunteer for many years and now his outstanding efforts have been recognised by the local Premier League football club in their campaign - Our LCFC champion. The campaign was aimed to recognise Foxes fans who have gone above and beyond in helping to spread kindness to people everywhere.

Before the coronavirus pandemic, Rich was a volunteer driver transporting LPT patients between their homes and LPT sites but this was suspended due to the risk of Covid-19. However, Rich continued to volunteer during the pandemic by delivering medical supplies from LPT pharmacy services directly to patients, alongside a number of other volunteer drivers.

Breastfeeding Peer Supporters

The Infant Feeding Team, together with the volunteer Breastfeeding Peer Supporters, have continued to offer their support to Mums and their families throughout the pandemic. Having lost the ability to carry out the face to face group meetings, they have offered virtual meetings instead. They've found that numbers are increasing as mums have felt more isolated and need more support. They are working towards outdoor

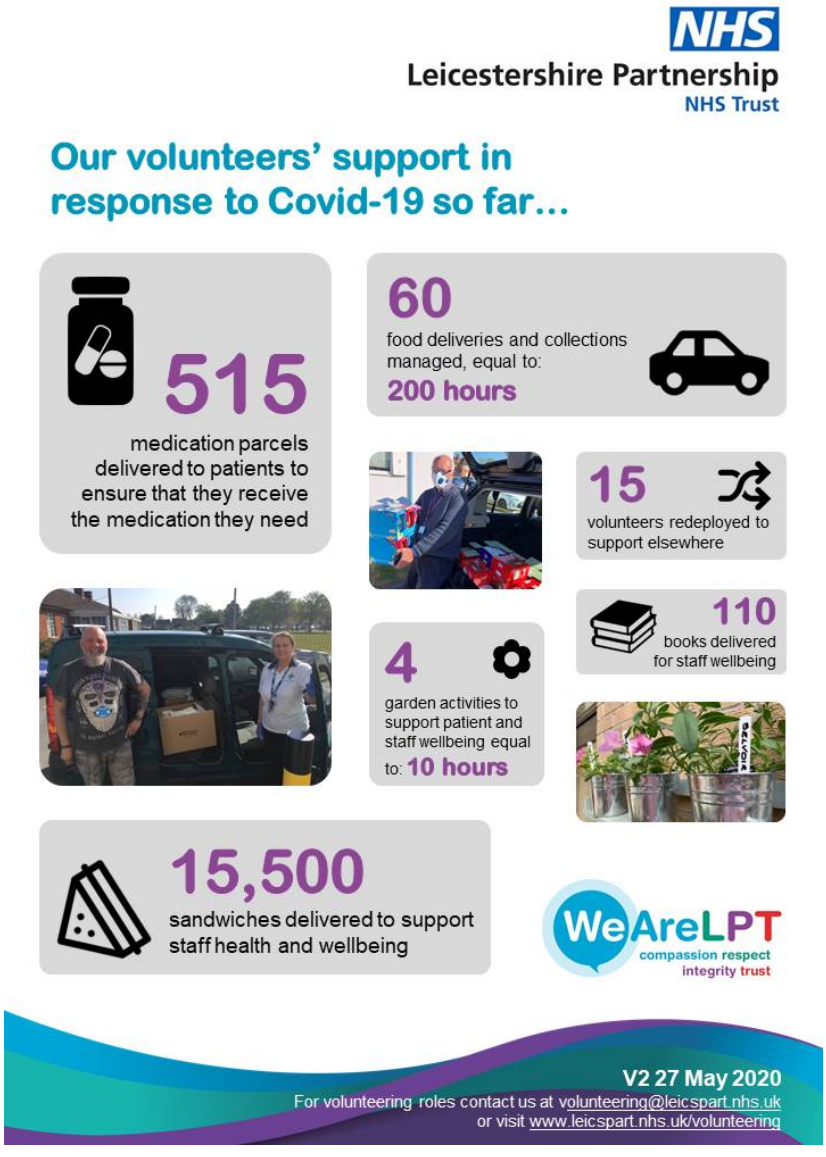
meetings, with the weather improving and following appropriate measures and guidance to make sure that will be attended safely.

Vaccination Programme

The Volunteering Team supported the call for volunteers to help with the roll out of the vaccine across LLR. They worked with NHS England and the vaccination centres, to make sure volunteers were “on boarded” appropriately. LPT volunteers continue to support the programme through VAL

Other achievements over the year:

- Volunteers engaged with the delivery of over 600 Christmas Presents to various LPT locations.
- Volunteers were involved in hundreds of Easter Eggs being delivered to patients and staff in LPT.
- Two Volunteers have secured employment as a result of their volunteering in LPT
- In February 2021, volunteer drivers supported with the delivery of an average of 27 uniforms per day to LPT sites.



Volunteering secured just under £17,000 for the Winter Volunteering Fund which was used to provide a medication delivery service

A survey was carried out on the medications delivery service, and patients shared their responses:

“Volunteer was wonderful, and delivery was fast and safe, we were very grateful"

“We had this service several times and it was great! Drivers are very courteous and made sure we got the medication. I feel well looked after! Many Thanks"

“The service received has been excellent, when in time of need. Will prompt delivery of Meds be bettered by others. Thank you!”

“Without this service I would worry excessively about my dosset box and my mental health would deteriorate. Have no way of getting my drugs. I am extremely reliant upon your service."

“Very polite drivers, drop medication when due, I am very grateful for the help

To find out more about our volunteering opportunities visit our website: www.leicspart.nhs.uk/volunteering

Engaging our staff

As outlined in the NHS People Plan, if we are to improve staff experience, it is imperative that we have meaningful engagement with and listen to our staff. We are committed to empowering our staff to speak up, that their concerns will be listened to and that we create a culture where patients and staff feel safe. Listening events and staff surveys are important ways in which we are able to hear from our staff, as are staff networks and social media platforms. We must make sure our staff feel valued, and confident that their views are being used to shape learning and improvement across the Trust. This section highlights the many ways we put this commitment into action.

Our Future Our Way

Our culture, inclusion and leadership programme (Our Future Our Way) continues to support our staff to be their best, to be listened to and to co-design improvements to make LPT a great place to work.

Our Change Champions have supported the delivery of our new 'Leadership Behaviours for all' workshops and we aim to have supported all staff to have undertaken this by Autumn 2021. To further embed these behaviours we have created a feedback model to support staff to positively give and receive feedback on their leadership behaviours. We have continued to reinforce that our staff are all leaders: they are empowered to make decisions, innovate and bring improvements to their teams and patients.

We have updated our appraisal system this year and the new leadership behaviours for all are now our main measures of success. Our updated system focuses on health and wellbeing and career advancement within the Trust and wider NHS. These changes have been made as a direct result of staff feedback through the Our Future Our Way programme to ensure appraisals are more meaningful.

As a result of staff feedback, we have focused on making our HR polices more compassionate and are focusing on becoming a learning organisation - learning and improving together when something goes wrong, to ensure there is not a 'blame culture'.

We continue on our journey of improving and making LPT a great place to work and receive care. This is a key priority in the 'E' of our Step up to Great strategy – standing for equality, leadership and culture.

NHS Annual Staff Survey

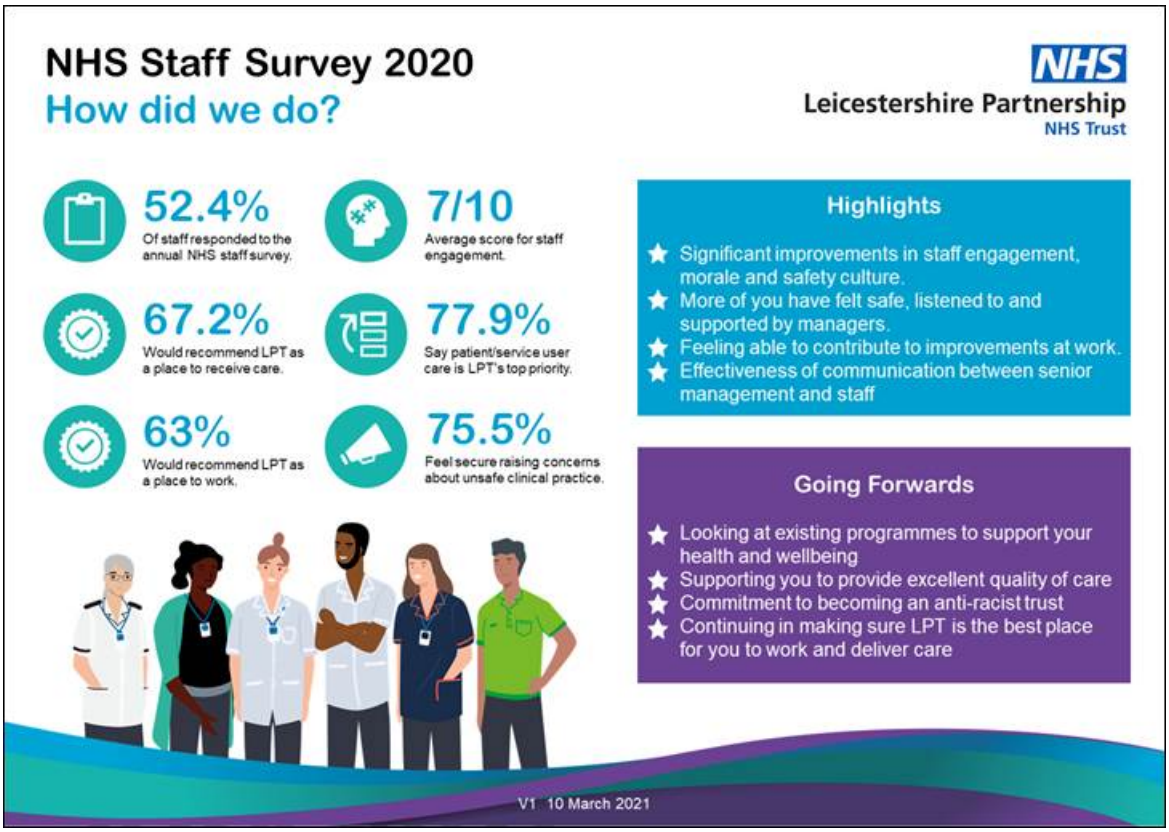
Thank you to all our staff who took the time to complete the annual NHS staff survey between October and November 2020. We had an excellent response rate with 52.4% – that's 2,777 staff (compared to a national average response rate of 49%). The results are an important way for us to hear staff views on how it feels to work in LPT, what they think works well and what they think needs to improve.

We are pleased that, compared to last year, staff reported a more positive experience of working in LPT across all the indicators, with significant improvements in views of staff engagement, morale and a safety culture at LPT. We particularly welcomed the significant increase in staff who responded positively to recommending LPT as a place to work (from 54% to 63%) and in the number who would be happy with LPT's standard of care if a friend of relative needed treatment (up from 61% to 67%). Also important for this year is that more staff have felt safe, listened to and supported by their managers.

Other areas of increased positive feedback included: receiving feedback from managers, feeling that staff can contribute to improvements at work, the effectiveness of communication between senior management and staff and senior managers involving staff in important decisions and acting on staff feedback.

As a Trust we improved in all areas compared to last year, and LPT was identified by the Health Service Journal as in the top ten most improved Trusts in the country amongst our peers. However there is still more work to do to ensure we continue our journey to Step up to Great and improve LPT's position compared to the national average of trusts similar to us.

Take a look at the summary:



Staff have shared they felt more supported in maintaining positive health and wellbeing this year, however there has been an increase in the number reporting work-related MSK problems and stress. We will review our existing health and wellbeing offer to identify any gaps in this area. In addition we have launched the LLR staff mental health and wellbeing hub as an LLR system, to provide fast track psychological

support to staff across health and social care. We have mailed out information to staff home addresses about this in a special Taking Care of You booklet, alongside a thank you letter to all staff.

Although it was good to see that more staff feel satisfied about the quality of care they have been able to deliver this year, we are still reporting lower than the national average in relation to this so we must continue to support staff to provide excellent care. As always, there are variations in the results across our directorates and staff groups and we will be looking at this in more detail locally to ensure our staff continue to feel listened to, valued and able to make a difference to LPT.

We are committed to being an anti-racist Trust and our approach of Together Against Racism, developed alongside our buddy Trust Northamptonshire Healthcare Foundation Trust, will be a key focus this year, building on some of the work we've done this last year including actions such as reverse mentoring, diverse interview panels, and targeted training and development programmes, alongside cultural competency action learning sets. Whilst our overall position against the Equality Diversity and Inclusion indicator remains unchanged from last year, more staff shared that they've experienced discrimination from patients/service users/relatives/public and from managers/colleagues. This is not acceptable and we will to do more to ensure that all our staff feel valued.

The 2020 survey focused on working through the pandemic. We are reviewing all the comments made in relation to this. Despite how much of a challenging year has been we know that our staff have all continued to Step up to Great as part of our WeAreLPT family – and we are extremely grateful for this and very proud of everyone. We are committed to continuing to engage are staff in making sure LPT is the best place for them to work and deliver care.

Consultation with staff

Effective staff involvement is essential for us to shape and improve service delivery.

During 2020/21 we have continued to actively involve staff across all services through engagement and consultation linked to service transformation and development initiatives and associated change management programmes. We produce a weekly Trust e-newsletter and encourage the use of social media, in line with the Trust's social media policy, as a forum for staff to share their views.

During the Covid pandemic we have produced additional weekly Covid updates and have held listening events with staff on a variety of topics including covid risk assessments and covid vaccinations. Our closed staff Facebook group (which has over 2,900 members) is an effective forum for staff to share their views, find answers to questions and gain support from colleagues. Live monthly web chats continue through our new staff intranet StaffNet, which also includes the latest news and events. This is supported by a new staff App to signpost staff to information, and increasingly the use of text messages have been used to keep staff informed and engaged. The Chief Executive delivers a monthly Team Brief alongside a Q&A with the executive team. This is filmed and shared with staff.

The Trust's formal Joint Staff Consultation and Negotiating Committee (JSCNC) meets bi-monthly and has recently been re-badged the Staff Partnership Forum to reflect partnership working between management and staff representative. The forum acts as:

- a central forum through which we can consult staff representatives
- an opportunity for staff side representatives to comment on and influence our business
- a regular opportunity to identify and discuss other issues relevant to the general interest and welfare of our employees.

In addition to the Trust's Staff Partnership Forum meeting, an active medical local negotiating committee operates within the Trust and there are local Staff Partnership Forums for each of the three clinical directorates. These meet regularly to address local issues.

Support and advisory services

Our staff have access to a wide range of support and advisory services:

- Occupational Health Service available to all staff
- confidential counselling and psychological support services (Amica)
- professional organisations and trade unions
- disabled staff support group (MAPLE)
- interfaith forum
- black, Asian and minority ethnic staff support group (BAME)
- carers support group
- Spectrum (lesbian, gay, bisexual, transgender members of staff)
- LPT Young Voices
- anti-bullying and harassment advice service (ABHAS)
- access to mediation for resolving workplace conflict
- Listening Ear service provided by Chaplaincy services
- Access to Freedom to Speak Up Guardian
- LLR Mental Health and Wellbeing Hub

We want to create a culture of openness and transparency, where staff are not afraid to raise concerns. Just some of the ways we are enabling this are:

- A monthly Team Brief with our Chief Executive, which includes a question and answer session with our executive team on current themes. This is supported by a monthly web chat giving staff a direct line to the chief executive who answers all queries and shares responses across the Trust.
- A monthly senior leadership group forum – for senior leaders to not only hear about our direction of travel, but contribute, share views and concerns, and take ownership.
- If a member of staff has concerns about an issue that affects the delivery of services or patient care, they are encouraged to speak to their line manager, head of service or director.
- They can also contact the Trust's Freedom to Speak Up Guardian for advice – referring to the 'Freedom to Speak Up: Raising Concerns (Whistleblowing) Policy for further sources of advice
- If staff have concerns about a work issue, they can contact their trade union / professional organisation representative or a member of our human resources team.
- An e-learning package is available for staff to increase awareness of how to raise concerns.
- Our new Leadership Behaviours for all provides a framework to hold each other to account, including a feedback model.
- We support Duty of Candour, and have raised the profile of the importance of this through various forums and communications, including the set up a learning lessons exchange to improve culture.
- Staff listening events on key themes or hot topics and monthly staff support networks

Freedom to Speak Up

Freedom to Speak Up – 'Together we are making speaking up business as usual'

Speaking up is about anything that gets in the way of providing good care.

When things go wrong, we need to make sure that lessons are learnt and things are improved. If we think something might go wrong, it's important that we all feel able to speak up so that potential harm is prevented. Even when things are good, but could be even better, we should feel able to say something and

should expect that our suggestion is listened to and used as an opportunity for improvement. ***Speaking up is about all of these things – National Guardian Office***

We are committed to creating an open and transparent culture where colleagues feel safe to speak up and raise concerns in the knowledge that they will be listened to without prejudice. Here at LPT our Chief Executive is the lead Director for Freedom to Speak Up, which signals to staff the importance the organisation places on speaking up about patient care, quality improvement and resolving work related issues. Staff are encouraged to speak up and raise concerns with their line manager, with another member of the leadership teams or directly with the Freedom to Speak Up (FTSU) Guardian.

The FTSU Guardian provides confidential and impartial advice, or practical support where requested, to those who want to speak up about patient care, quality improvement or to resolve work related issues.

The Freedom to Speak Up: Raising Concerns (Whistleblowing) Policy was published in line with current guidance from NHS Improvement & NHS England. The policy provides assurance to staff and explicitly states that harassment or victimisation, of anyone speaking up and raising a concern, or any form of detriment will not be tolerated and could be dealt with through disciplinary procedures.

The Policy identifies a variety of ways in which staff can speak up within the Trust in addition to the FTSU Guardian or manager for example, the Chaplaincy 'Listening Ear' service, AMICA counselling services, Occupational Health service, Human Resources and Staff-side services. However, the policy also identifies the specific non-executive director with responsibility for FTSU, and other external mechanisms such as Care Quality Commission, specific professional bodies and the National Whistleblowing help-line.

Furthermore, the FTSU Guardian is tasked with raising awareness about speaking up and supporting the development of an open and transparent culture. The role of the FTSU Guardian is being promoted widely through internal communication routes including the Trust's weekly eNews, monthly Team Brief and social media, Trust-wide emails, posters across Trust sites, computer screen savers, face to face meetings and team presentations. The Trust's commitment to 'making speaking up business as usual' is also highlighted at all induction sessions for new staff, including corporate induction specifically for qualified and non-qualified staff, bank staff and volunteers. Bespoke presentations are delivered to medical trainees and students, including nursing associates, apprentices and other Allied Health Professionals.

Freedom to Speak Up Partners

The Trust now has over 20 Freedom to Speak Up Partners across the organisation with representatives from a wide cross section of the work force and includes members from each of the Trust's five staff support groups. The introduction of the partner role has increased the reach of the FTSU agenda and helps to embed the key messages.

The National Freedom to Speak Up Guardian Henrietta Hughes visited LPT during October 2020 to coincide with national Speak Up month raising awareness through the alphabet of Speak Up. She joined the FTSU Partners forum celebrating the success of this network to extend the reach of FTSU Guardian and embed key messages across a wide geographical area.

Listening into Action

We introduced Listening into Action (LiA) to our staff in May 2013, as a way to support them to make changes that improve their working life and patient care. It has seen 145 teams use the approach of a 20-week programme and remains a popular approach for staff.

The pandemic saw, unsurprisingly, a reduction in applications to use LiA. However as we move forward applications are beginning to be received and with promotion of LiA and it's easy to use methodologies, applications will increase.

Any teams that complete their journey will be expected and encouraged to display their LiA achievements at the annual Quality Improvement conference, this enables successes and learning to be shared with other teams.

The pandemic had a major impact on cohort 13, with teams needing to use their resources to manage clinical workloads.

Cohort 13	Missions
No-Bullying in LPT	Involving everyone in working together to have a zero tolerance approach to bullying in LPT. The results will be fed into the Our Culture Our Way programme, including the review of our policies.
Ward Rotation at the Bradgate Mental Health Unit	The intention had been to introduce rotation of nurses at the Bradgate MHU, with the aim of increasing team cohesion, encouraging sharing of good practice across wards, improving confidence, competence and experience of nurses and increasing job satisfaction. Obviously rotating nurses within a Unit was impossible with the Covid outbreak due to infection prevention control. This initiative remains on hold until it can be safely progressed.

Applications for LiA were certainly reduced during the past year. However health and wellbeing remained a topic of importance and 2 LiA teams were able to carry out Big Conversations via MS Teams.

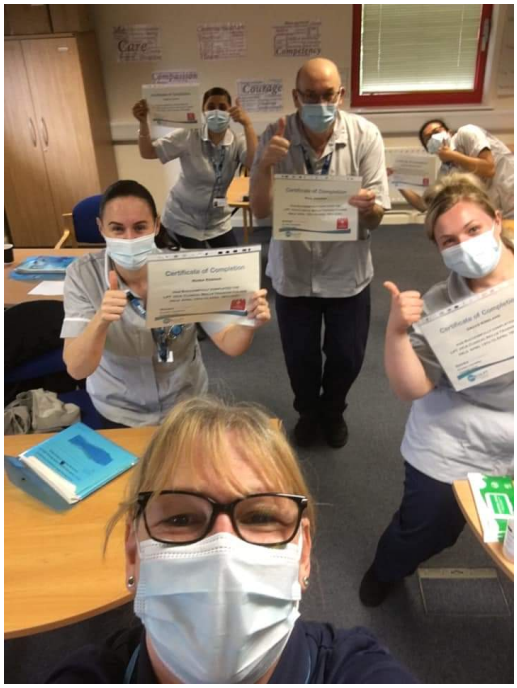
Cohort 14	Missions
Working from Home – Health and Wellbeing (HWB)	Aimed to understand the needs of those staff working from home and what could be done to support one another. Early actions have seen the following; • Randomised coffee trials being set up across the Trust for staff to connect with one another. • Weekly Wellbeing Wednesday activities-yoga/ Pilates/ Tai Chi/ drawing class/ Virtual chat- social room and mindfulness sessions, open to all staff. • HWB information being provided through newsletters and a HWB pack on an app which gives a reminder to get up from their desk at regular intervals. • A HWB pack has been created and sent to all staff with information on HWB support and activities to try outside of work.
Learning Disability Team – Health and Wellbeing	The mission was to address how they could improve their health and wellbeing activity? Following their Big Conversation the team reconnected with all of their HWB champions and have set up various wellbeing activities for staff to get involved with. Including bingo nights and quiz sessions. They also intend to reach out within their network to find out more about each other's skills and how these can be shared to enable HWB activities to continue.
Equality, diversity and inclusion (EDI)	We want staff and members of the public to attend an LIA to share their views to help design and develop the new EDI strategy for 2021 – 2025. Their feedback will help inform and shape this strategy.

Developing our staff

We have a dedicated Learning and Development service which provides opportunities for staff to improve and enhance their skills and knowledge, to enable them to deliver a quality service to our patients. We support and encourage staff to develop and pursue their careers aligned to organisational need and personal aspiration. We also support our future workforce through student placements, access to work experience, and apprenticeships.

Our Learning and Development Plan focused this year on:

- Continuing professional development
- Support for undergraduate and postgraduate learners
- Apprenticeships for new starters and existing staff
- Growing our own staff
- Increasing use of technology enhance learning



We value being able to grow our own staff into new roles and this year we saw over 200 clinical and administration staff be supported with funding for courses. We also continued to develop our staff to become Nursing Associates with 25 staff starting this year.

The expansion of the apprenticeship offer has benefited our clinical and admin and clerical staff with 115 registered on apprenticeship programmes including nursing degrees, pharmacy technicians and management degrees.

Towards the end of the year we also introduced a Healthcare Support Worker new starter programme. This has been very well evaluated and will continue to grow into the new year.

Our use of Technology Enhanced Learning particularly online learning using a blend of learning and MS Teams formats has enabled staff to continue to receive training when attendance at a face to face session wasn't possible.

Our comprehensive range of development and Continuing Professional Development courses have been enhanced this year with the acquisition of clinicalskills.net. This is an online resource providing up to date information on clinical skills; suitable for staff involved in patient care or those who support staff or students in their learning/practice. It has been made freely available to all staff in the trust.

Clinical Skills.net
best practice at your fingertips

Championing equality, diversity and inclusion

Over the last twelve months, we have continued to make progress with the equality, diversity and inclusion agenda in the backdrop of a global pandemic which has impacted upon LPT staff and service users. For LPT the challenge of keeping staff, volunteers, patients and services users physically and mentally safe has been a huge challenge. Despite this LPT has responded swiftly to ensure that Equality Diversity and

Inclusion has been a key consideration in its decision-making within the constraints of rapidly changing and challenging circumstances.

Equality, Diversity and Inclusion run through all of LPT's leadership behaviours and values. We expect all of our staff to be inclusive leaders in managing relationships with other colleagues and with our patients, service users and the public. Being inclusive is at the heart of all we do and we have committed to creating an anti-racist organisation as a Trust – our Chief Executive wrote out to all staff with this commitment in June 2020. There has been much progress and a great deal to celebrate as well as acknowledging there is still much to do. As outlined earlier, our approach was shortlisted as a finalised in the HSJ Workforce Race Equality Award in early 2021.

Key achievements for equality and diversity:

April 2020	**May 2020**	**June 2020**
Impact of Covid-19 on BAME communities first reported nationally. LPT's equality impact assessment (EIA) started with consideration of how workplaces and services could be made safe and accessible to meet the needs of people with protected characteristics.	Black Lives Matter campaign led to awareness of injustices faced by BAME communities and structural discrimination. This coupled with growing evidence of disproportionate impact of Covid on BAME and vulnerable people. LPT established online Listening events chaired by our Chief Executive for BAME colleagues. Race Equality and Cultural Intelligent Learning Sets moved to virtual platform. Support networks moved from monthly to weekly meetings.	Letter from Chief Executive pledging that LPT will be an anti-racist organisation was published by LPT. LGBT Pride event celebrated. BAME risk assessments developed in collaboration with the BAME Support Network and workshops run for managers which included compassionate conversations elements.
July 2020	**August 2020**	**September 2020**
WRES and WDES data published and action plans refreshed. Monthly compassionate conversations workshops started. Roll out of risk assessments for BAME and vulnerable staff stepped up. System-wide EDI Taskforce developed key EDI priorities for inclusion in People Plan. Covid EIA in relation to service delivery presented to the Quality Assurance Committee (QAC). South Asian History Month celebrated with weekly on-line sessions (over 50 regular attendees)	WRES and WDES published with action plans to address the issues identified. Monthly reporting of diversity on panels presented to EDI Workforce Group. Continuation of listening events, weekly support networks and compassionate conversations and cultural intelligence training. EDI Patient Experience and Involvement Group taking place to discuss Covid EIA and development of representative People Panel.	LPT entered the HSJ Workforce Race Equality Award.

October 2020	November 2020	December 2020
Four successful Black History Month events delivered in partnership with NHFT. International Nurses Year celebrations run with four sessions facilitated by Chair of BAME network and Chief Nurse. Local Listening events being held by CHS and FYPC.LD. FYPC.LD establish a group to focus on EDI issues.	Disability History Month celebrated with five sessions held over November and December. Paralympians invited to a session with MAPLE group members. Purple Tuesday celebrated with the support of Director of HR. Second cohort reverse mentoring programme launched through LLR Academy across the local system.	International Day for People with Disabilities marked with a listening event sponsored by HR Director. Series of workshops run on disability awareness and the sharing of lived experience. Events held on Access to Work in collaboration with disabled employees and Job Centre Plus. First EDI listening event held by directorate of mental health (DMH) leading to a level 3 governance group established.
January 2021	**February 2021**	**March 2021**
First WeNurture development programme run for BAME colleagues with good take up levels. Interview skills training run for BAME colleagues. Pool of BAME recruiters rises to 40 and a mechanism for requests established by Recruitment Manager. DMH EDI Group now established and terms of reference signed off.	LGBT joint event held with NHFT. EDI Covid staff support continued. EIA presented to ICC Strategic Gold Command. Annual Equality Workforce Report and Gender Pay Gap Report presented to QAC. Ongoing targeted work on ensuring high take up levels of vaccine by BAME employees with FAQ sessions held with BAME employees and other staff support networks.	Annual Patient User demographic (equalities) Report, Equalities Complaints Report and Mental Health Survey. Results presented to QAC. System-wide Cultural Intelligence Masterclass delivered. Reverse Mentoring training to 82 reverse mentors and mentees commenced. Inclusive Decision Making Framework presented to EDI Patient Experience and Involvement Group. Enact drama based training on micro aggressions procured for delivery in May 2021. International Women's Day marked by Trust-wide event led by Chief Executive and Chair.

Our equality objectives 2017 – 2021

The Trust has an agreed Diversity and Inclusion Approach to cover the period 2017 - 2021. This is aimed at improving services and employment practices for target groups.

Workforce Race Equality Standard (WRES)

The Trust reports against the nine indicators of the Workforce Race Equality Standard (WRES) on an annual basis and acts where there is evidence of disadvantage and inequality. The WRES gauges how well the Trust is performing to ensure employees from black, Asian and minority ethnic (BAME) backgrounds have equal access to career opportunities and receive fair treatment in the workplace. The

Trust has developed a prioritised WRES action plan which it is implementing as part of our Step up to Great strategy. Our work has been recognised nationally as a finalist for an HSJ Award.

Gender Pay Gap

The Gender Pay Gap Regulations (a 2017 update to the Equality Act 2010) introduced a requirement for listed public authorities and private sector organisations with 250 or more employees to publish information relating to the difference between the pay of female and male employees. For public authorities, reporting on the Gender Pay Gap took place for the first time on 30 March 2018. This information is being used alongside other equality monitoring information to inform initiatives to promote gender equality in pay and career progression. See our website for our latest report: https://www.leicspart.nhs.uk/wp-content/uploads/2020/02/LPT-Gender-Pay-Gap-Report-2018-19-FOR_PUBLICATION.pdf

Workforce Disability Equality Standard (WDES)

The Workforce Disability Equality Standard (WDES) aims to promote and inform initiatives to address the national finding that disabled people in the workforce often have poorer experiences of employment than their colleagues who are not disabled. LPT reported against the metrics of the WDES for the first time in August 2019. An action plan has been produced and progress is reported to the EDI Workforce Group. Our equality information reports are published on our website here: https://www.leicspart.nhs.uk/about/equality-and-human-rights/publication-of-equality-information/

Due Regard

LPT has a process for carrying out the 'Due Regard' (equality analysis) to ensure that its functions, policies, processes and practices do not have an adverse impact on any person described in the Equality Act 2010 in terms of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (gender) and sexual orientation.

A toolkit and templates are available to support staff in ensuring that they have due regard to the aims of the Equality Act, ensuring that we meet our equality duty and moral obligations. Where there is a need, the Equality Diversity and Inclusion team offers bespoke training on undertaking "due regard" and ensuring that the requirements of the Equality Act are embedded into the day-to-day work of the Trust.

Equality and diversity training

Equality and Diversity training is mandatory for all staff. Training is available through an e-learning module. It looks at our legal duties in relation to the Equality Act as well as giving insight into meeting the needs of different people and communities. The programme has a focus on the needs of, and difficulties faced by, lesbian, gay, bisexual and transgender (LGBT) people. Unconscious bias training has also been developed for staff and is being delivered virtually where required. In addition, in support of the WRES work, Race and Cultural Understanding Training has been developed with the assistance of BAME colleagues and is required for all of LPT's leadership.

Accessible Information Standard

The Trust is implementing the Accessible Information Standard (AIS). It has produced an action plan in 2020 and has an Inclusive Communications Working Group. Free training has been arranged on Deaf Awareness and basic British Sign Language Training for front line staff between May and August 2021.

Looking ahead: 2021 Activity

Activity 1:	To comply with the Equality Act 2010 and the Public Sector Equality Duty (PSED). In this respect the implementation of the Inclusive Decision Making Framework will be key.
Activity 2:	To report and develop actions to address issues identified in the course of the equality monitoring of the workforce and service users. This will include continuation of increasing the diversity of interview panels, implementation of the reverse mentoring programme, continued delivery of Race and Cultural Intelligence Learning Sets, implementation of further training and development associated with the anti-racism agenda and in support of the staff networks and the relaunch of the zero tolerance campaign.
Activity 3:	To embed and mainstream the Equality Delivery System 3 (EDS3) into all service and enabling activity.
Activity 4:	To report and implement action plans to address gaps identified against the Workforce Race Equality Standard, Workforce Disability Equality Standard, and Gender Pay Gap reporting metrics.
Activity 5:	To work in partnership locally, regionally and nationally to share best practice and develop inclusive initiatives that improve outcomes for staff and patients.
Activity 6:	To design, develop and deliver training programmes that help staff and managers to foster positive working relationships that lead to a higher quality of care for all.

Supporting disabled staff

The Trust meets all requirements to use the 'Disability Confident' symbol. Applicants with a disability who meet essential requirements for posts are guaranteed an interview. The Trust also has a reasonable adjustments policy to ensure that appropriate measures are put in place for staff who either have a disability on appointment or develop a disability during employment. We work closely with Access to Work and our Occupational Health department who provide advice and support, and our management of ill-health policy and associated training ensures that managers are aware of the steps to be taken to retain staff with disabilities in employment.

Sickness absence

The Trust's average rate of sickness absence in 2020/21 (to end of February) was 4.84%, a slight decrease from the 2019/20 rate of 5.02%. The main reasons for sickness absence are linked to mental health issues including stress and anxiety (whether home or work related) and musculoskeletal (MSK) problems. In addition to the general absence reflected above, staff had periods of Covid-related absence as a result of self-isolation. Where possible and where well enough to do so, staff were enabled to continue working at home during periods of self-isolation.

The focus during the year was very much on keeping staff well at work and a comprehensive local programme of health and wellbeing interventions was delivered to complement a national health and wellbeing offer. Support available included:

- delivery of a comprehensive health and wellbeing programme with a specific monthly focus and newsletter – all supported by a dedicated section on the staff intranet
- introduction of Wellbeing Wednesdays

- health and wellbeing lead delivering presentation to teams across the Trust to raise awareness of what is available
- completion of covid Risk Assessments for all staff
- establishment of ‘wobble rooms’ to provide staff with a safe space for relaxation and reflection
- development of healthy virtual meetings checklist and guidance
- access to mindfulness programmes
- mindfulness for menopause programme
- free access to a variety of health and wellbeing Apps
- provision of yoga and dance classes
- encouraging staff to ‘take a break’
- provision of a Trust-wide staff physiotherapy service to enable early access to physiotherapy and keep staff at work
- mental health first aid (MHFA) training for staff
- resource for ‘positively supporting your mental health’ developed
- delivery of system level health and wellbeing event and planning for LPT event in April 2021
- growth of health and wellbeing champions network
- appointment of Trust Chair as the Trust’s Health and Wellbeing Guardian

In addition, after a short break at the beginning of the Covid pandemic, we have continued to deliver a programme of essential training for all new line managers including supportive management behaviour, Essential HR, management of ill-health and Healthy Conversations. These all moved on-line part way through the year.

The Trust is hosting a nationally funded Mental Health and Wellbeing Hub to provide support to staff in health and social care across Leicester, Leicestershire and Rutland.

NHS sickness absence rates are available at:

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Accountability report

Director's report – how we govern

There are seven non-executive directors (including the Chair) at the Board. There were no changes to non-executive directors during the annual report period.

There have been a number of changes amongst the executive directors. Due to the retirement of Dani Cecchini, Director of Finance, Estates and Facilities & Deputy Chief Executive in March 2021, the following appointments were made:

- Sharon Murphy Interim Director of Finance (January 2021)
- Richard Wheeler Joint (with NHFT) Interim Chief Finance Officer (February 2021)
- Mark Powell has joined the Trust as Deputy Chief Executive Officer in April 2021

Dr Sue Elcock, Medical Director left in May 2020 and Dr Avinash Hiremath was appointed as Interim Medical Director (1st June – 31st August 2020) and then substantive Medical Director from September 2020.

Rachel Bilsborough, Director, Community Health Services (Retired end March 2021) and Fiona Myers has joined the Trust as an Interim Director of Community Health Services.

Members of the Trust board as of April 2021 are shown below:

Providing assurance

A number of key sub-committees provide assurance to the Board. Key reports and issues are scrutinised by the appropriate Board committee prior to being submitted for review by our Trust Board. Our Board agenda has a service-related theme for each meeting which are focused on the quality of patient safety and treatment experience, strategic developments, operational and financial performance trend analysis and exception reporting, staffing and organisational developments, and key risks.

Due to the covid-19 pandemic, during 2020/21 the Board schedule was compressed to refocus on our single strategic objective "to preserve life". Public Board agendas were refocused with items on the six priority areas: Covid19, Quality and Safety, Health and Wellbeing of staff, Risk, Finance and Performance, and Statutory Requirements. Board Development sessions were shortened during the pandemic to focus on essential development work relating to service transformation or organisational culture. As part of the culture work the Board engaged in sessions which included: leadership behaviours, the NHS People Plan, Well-Led, talent management and succession planning.

Being accountable

Corporate governance and clinical governance are the terms used in the NHS to describe the framework through which NHS organisations are accountable for improving the quality of their services, safeguarding high standards of care and managing public resources effectively. It also describes the way in which senior managers execute their responsibilities and authority, in relation to the assets and resources entrusted to them, and ensures compliance with statutory legislation.

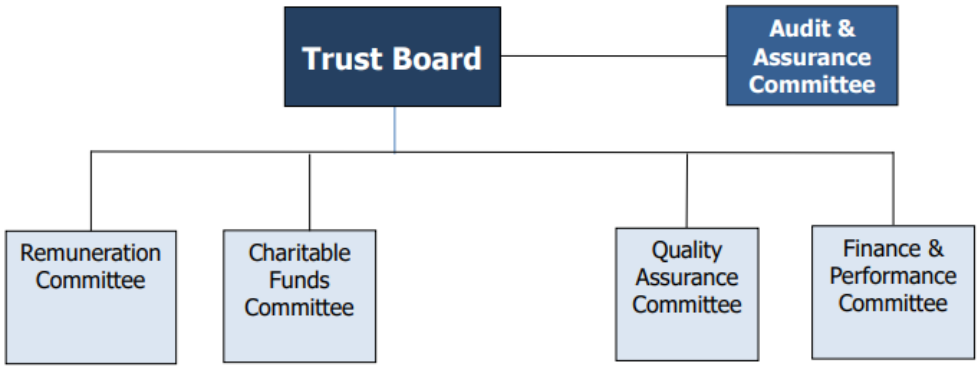
The Trust's quality governance and leadership structure ensures that the quality and safety of care is being routinely monitored across all services. There has been a significant focus on governance improvements over the last 12 months, starting with a commitment to further strengthening a role culture to support the delivery of an effective and efficient governance framework. This has led to improved clarity over the arrangements for the Corporate Directors and their deputies and teams. It has also strengthened the arrangements for committees and their various levels, and their role and function.

Key improvements include:

- Embedding three levels of committee/groups and the use of enhanced Highlight Reports for assurance and escalation.
- Improvement in the roles of the level one committees and their relationship to Board, e.g. the Board and level one committees FPC and QAC meeting bi-monthly on alternate months.
- A Board Architecture to determine which items are formally delegated to the level one committees.
- Executive Team meetings now review level one board committee agendas to ensure key items are progressed.
- An Executive Director is identified as responsible for each item considered at a level one committee.
- A new standard approach to Board reports and committee reports has been adopted utilising a governance table for all reports to capture the following key fields for all papers requiring a decision:
    - ✓ STEP up to GREAT strategic alignment
    - ✓ Whether the decision required is consistent with LPT's risk appetite
    - ✓ Any False and misleading information (FOMI) considerations
    - ✓ Positive confirmation that the content does not risk the safety of patients or the public
    - ✓ Equality considerations

- Level one annual and mid-year committee reviews now contain improvement goals leading to strengthened committee performance.
- There are robust quality performance, risk management processes and reporting mechanisms in place to review and challenge performance and variation.
- We have a culture of open and transparent reporting of incidents and risks, supported by a governance structure with three levels of groups and committees to provide specialist oversight and assurance.
- There are monthly finance and performance reports, presenting RAG rated performance and exception narrative for national and local performance standards at a Trust and Directorate level.
- Reporting arrangements also include regular monitoring of progress with key performance measures via the quality account, and quarterly updates on incidents, claims, inquests, patient feedback, complaints and risk.

Our governance structure:



Key Board committees

- Our **Audit and Assurance Committee** (A&AC) has non-executive director membership. It meets not less than four times a year and reports to the Board annually on its work in support of the Annual Governance Statement. The primary roles of the committee are to independently monitor and review our internal control systems, risk management arrangements, and provide independent advice and assurance to our Trust Board.
- Our **Quality and Assurance Committee** (QAC) is chaired by a non-executive director, has two other non-executive director members, and meets on a bi-monthly basis. It also includes members who are Board executive directors, as well as there being senior clinical directors, senior clinicians, and commissioners in attendance. It is the key forum for discussion and assurance that safety, workforce and quality governance arrangements are in place throughout the Trust and that they are working effectively.
- Our **Finance and Performance Committee** (FPC) is chaired by a non-executive director and meets on bi-monthly basis. Its membership has key executive directors and two other non-executive directors. It is tasked with undertaking financial reviews, including capital planning and infrastructure developments, on behalf of the Trust Board, and considers actions to mitigate any major financial risks facing our Trust. Business development opportunities form part of their considerations. The committee's second major role is to provide assurance in relation to our operational performance to the Trust Board.
- Our **Remuneration Committee** (REMCOM) has non-executive director membership and is advised by the Director of Human Resources and Organisational Development. It meets as required, but at least twice a year, to ensure there is a fair and transparent procedure for developing and maintaining policy on executive remuneration and for fixing the remuneration packages of individual

directors. It also receives assurance on executive and senior directors' performance and advises on contractual arrangements.

- The purpose of the **Charitable Funds Committee** (CFC) is to manage, on behalf of the Trust Board and in accordance with standing orders, charitable funds held; also to provide assurance to the Trust Board on the effective management of these. It meets four times a year and is chaired by our Trust Chair and a non-executive director attends.

How the committees work

The attendance at all of the Board committees is recorded, and terms of reference state a requirement of 75% attendance for all formal members. Attendance is reported within the annual reports of committees to Trust Board, as well as when the work of the committees is reviewed annually by the Audit and Assurance Committee (AAC). Highlight reports from Board committees are presented to the next available Trust Board meeting, and reporting back is led by the non-executive chair of the meeting.

Performance assessment of committees is on an annual basis. Committees reflect on their own achievements and challenges, and the AAC considers each report at one of its meetings, with the chair and executive lead of the Board committee in attendance. The final report is then submitted to the Trust Board.

The Trust Board sets up task and finish groups, with pertinent membership, to consider key issues in more depth. There is an annual review of standing orders and standing financial orders, along with the Board's scheme of reservation and delegation.

The Board reviews its commitment to the codes of conduct and accountability for NHS Boards annually, and is compliant with the codes of good practice for Boards, as applicable to a provider service NHS Trust, of the HM Treasury/Cabinet Office Corporate governance code.

Non-executive director responsibilities during 2020/21 were as follows:

Remuneration Committee	• Ruth Marchington (Chair) • Faisal Hussain • Liz Rowbotham • Geoff Rowbotham • Kevin Harris • Cathy Ellis
Charitable Funds Committee	• Cathy Ellis (Chair) • Ruth Marchington
Quality Assurance Committee	• Liz Rowbotham (Chair) • Kevin Harris • Ruth Marchington
Finance and Performance Committee	• Geoff Rowbotham (Chair) • Faisal Hussain • Liz Rowbotham (18th August 2020 last meeting attended) • Ruth Marchington (From September 29th 2020 meeting)
Audit and Assurance Committee	• Darren Hickman (Audit Chair) • Liz Rowbotham • Geoff Rowbotham

Risk management

The Trust's framework for managing risk seeks to ensure that risks in relation to the delivery of services and care to patients are minimised, that the wellbeing of patients, staff and visitors is optimised and that the assets, business systems and income of the Trust are protected, and where possible opportunities are maximised.

The implementation and ongoing management of a comprehensive, integrated Trust-wide approach to the management of risk is based upon the support and leadership offered by the Trust Board, underpinned by a robust governance framework. The framework for risk management describes the structure and accountabilities for risk at a senior leadership level, and the responsibility for all staff to know and understand the risk management systems within the Trust and to follow the Trust's policies, guidelines and procedures. The framework also describes the principal committees with a responsibility for the governance and oversight of risk within the Trust, and the reporting hierarchy to provide assurance to the Board that risk management processes are in place and remain effective. The responsibility for managing risk across the Trust has been delegated by the Board to three level 1 committees; the Audit and Assurance Committee, the Quality Assurance Committee and the Finance and Performance Committee.

The Trust will always be faced with internal and external factors and influences that make it uncertain whether and when it will achieve its objectives. The Risk Management Policy provides an approach to managing any type of risk; it can be applied to any activity, including decision making at all levels. The components of this framework and the characteristics of effective and efficient risk management (according to BS ISO 31000) have been customised over the last year to enable the Trust to manage the effects of uncertainty pertaining to COVID-19 on its objectives.

Strategic risk is identified in a number of ways. Annually, the Board considers any risk relating to the latest set of strategic objectives. There is also on-going review of new risk during the year, which includes a monthly Executive Director review of risk. There can be escalation from directorate level risks. In addition, the risk team undertakes on-going horizon scanning and also holds a monthly risk review group to consider any areas of emerging risk.

Where a new strategic risk is identified, a risk assessment is undertaken by the Governance and Risk Team, the relevant risk owner and lead Director, and is presented to the approving committee. Scoring is undertaken in line with the Trust Board approved risk appetite statement and matrix to ensure that risks are mitigated to an acceptable level. The risk appetite statement describes what level of risk the Trust Board is willing or unwilling to accept in order to achieve its strategic objectives. This acknowledges the Trust has a low tolerance for all risks that have the potential to expose patients, staff, visitors and other stakeholders to harm; that compromise the Trust's ability to deliver operational services; that adversely impact the reputation of the Trust; have severe financial consequences or result in non-compliance with law and regulation. The statement defines tolerances for balancing different elements of risk, including patient safety, reputation, workforce and financial / value for money, based on how much, or how little the Trust wishes to commit in terms of risk.

The Covid-19 pandemic is a clear example of a significant event that impacts on the Board's appetite and tolerance of risk. The executive directors reviewed the appetite score for each risk on the organisational risk register to take account of the impact of covid and in some cases, the appetite was adjusted. The Board approved risk appetite statement still applies and will be subject to a refresh during 2021/22; this will also take account of the priorities for the covid rebuild and reset programme.

Operational risks are identified at a local or directorate level and the risk owner will submit an initial risk assessment on Ulysses for review. This is reviewed by the Risk Review Group (risk specialists, the clinical governance leads, our local counter fraud specialist and risk owners where relevant). The risk is quality assessed and then entered onto the system with the risk owner. Regular quality dashboards are presented

to the Directorate Management Teams (DMT) which show fields such as whether the risk is in date for review, if the actions are in date and whether all the fields are complete. If any are due for review or closure this is highlighted to the DMT and the risk owner is automatically notified. The Risk Team also follows this up to provide support where needed. The Risk Review Group also supports any escalation or de-escalation to or from the organisational risk register.

The Trust's risk profile in 2020/21 accommodated the additional challenges and opportunities presenting from the Covid-19 pandemic, the EU exit and system developments as we worked towards an LLR Integrated Care System. It also had a focus on the safety and wellbeing of our patients and staff.

A summary of the strategic risk profile on the organisational risk register has been provided below and maps each to the risk score as at the end of April 2021.

Consequence	5		48 Contain expenditure	40 COVID-19 52 Student Placement Capacity 54 Financial plan		
	4		6 MH strategy 20 Performance Mgt 25 Culture & Leadership	2 Safeguarding 3 Learning from incidents 5 Regulator standards 9 Hygiene standards 11 Estates configuration 33 Executive capacity	1 Harm free care 4 Safe staffing 8 Transformation for LD 10 Estates Maintenance 26 Staffing levels 28 Access to treatment 35 Data reporting	
	3			27 Staff wellbeing	24 Equality and diversity	
	2					
	1					
		1	2	3	4	5
		Likelihood				

Policies and procedures

We operate rigorous policies and procedures to comply with the legal requirements of the General Data Protection Regulation (EU) 2016/679 and more recently in the light of Brexit, UK GDPR, Data Protection Act 2018, the Common Law Duty of Confidence, the Freedom of Information Act 2000 and NHS requirements for safeguarding and sharing information; updating where legislation and national guidance changes. There has been a focus for this year on supporting the exploitation of technology particularly in relation to communications with patients/service users, as well as our cyber resilience. All our policies are available on our policy finder at www.leicspart.nhs.uk

Improvements in Information Governance during 2020-21

As the Trust changes and develops, the opportunity to review the governance arrangements for the management of information, particularly relating to data privacy has been undertaken to ensure that it meets our needs and is able to provide assurance to the Board.

We continue to review the management and handling of information and information requests ensuring that our processes enable us to meet our statutory obligations. In terms of information requests the Trust received 867 requests during 2019-20 as subject access and access to health records requests, and 251 as Freedom of Information and Environmental Information Regulations. Although the overall numbers decreased this year it is anticipated that this was as a result of the Covid pandemic, and the requests received were more complex and demanding in nature.

The Trust continued its work on information and cyber security including the continued engagement with NHS Digital around Cyber Essential Plus accreditation and the embedding of a unified cyber risk framework into the organisation risk register.

Work continued on the Data Security and Protection Toolkit and the Trust anticipates reporting 'Standards Met' for the delayed submission on 30 June 2021 as an outcome of the refocusing of work to support the Trusts' Covid efforts.

Data losses

We take the security and integrity of patient data and confidentiality very seriously. During 2019-20 we had four incidents in relation to the mishandling of personal identifiable data classified as a 'personal data breach' under GDPR and the guidance issued by the Information Commissioners Office (ICO) and NHS Digital. As a result of this, there have been changes to and the development of associated policy documents, targeted messages to staff and shared learning across the Leicester, Leicestershire and Rutland Health and Care System with messages and changes in technical solutions.

Emergency preparedness, resilience and response (EPRR)

EPRR compliance

The Civil Contingencies Act 2004 (CCA 2004) states that; as an NHS funded organisation, LPT are required to have robust emergency and business continuity plans in place. This is to ensure that we continue to be adequately prepared to respond to an emergency or major incident that may pose a significant disruption to service delivery, or that has the potential to seriously damage the wider community's welfare, environment or security.

In October 20/21 the National EPRR Assurance process was targeted at organisations that were not fully compliant in 19/20. This did not apply to LPT, as in 19/20, NHS England were fully assured that LPT were **fully compliant** against all applicable NHS EPRR core standards, so by definition;

LPT's EPRR arrangements are in place, the organisation is fully compliant with all core standards that the organisation is expected to achieve. The Board has agreed with this position statement.

Business Continuity and Emergency Planning

LPT's Business Continuity Management System (BCMS) has been developed in line with the international standard for Business Continuity Management, (ISO 22301), and the NHS England Business Continuity Management Toolkit. Each directorate within the Trust is required to have site and service specific business continuity plans in order to protect and maintain critical services in the event of disruptive events. We have over ninety live Business Continuity Plans (BCP) across all directorates; these are reviewed annually and updated post any incident or exercise.

Our Major Incident Plan is reviewed annually and sets out the framework and arrangements for instigating a response to a major incident, or significant disruption to service provision. The plan sets out a framework for coordinating the Trust's response with healthcare partners and other stakeholders in a multi-agency emergency response.

This year has been a busy period for EPRR, responding to Covid 19, a Level 4, National Major Incident. LPT have supported both the LLR incident response and the internal arrangements with an integrated coordination centre (ICC), and have been pivotal in delivering a targeted swab testing campaign in Leicester City, also LPT have been a key contributor to the Covid 19 vaccination rollout plan across LLR. LPT quickly established a Vaccination Centre (VC) at the Peepul Centre in Leicester City, and two Hospital Vaccination Hubs (HH) at Feilding Palmer Hospital in Lutterworth and Loughborough Hospital, a third site has been prepared at Coalville Hospital, and is due to become operational in the near future.

LPT have been an active participant in LLR Preparedness Exercises throughout 2020/21. We have continued to deliver trust wide EPRR exercises at key points throughout 2020/21, these preparedness exercises supported the trust to position itself to be able to manage other pressures such as; EU Exit, Winter Pressures, Surge Planning, and managing a subsequent internal Major Incident, whilst concurrently planning the covid vaccination programme with system partners and responding to the National Major Incident.

Next Steps: The focus for EPRR in 2021/22 is to Reflect, Reset and Rebuild, capitalising on all the learning accrued from the National Major Incident response, and use it to shape the EPRR work plan, and ensure that the trust is fully prepared for the next National EPRR Assurance process.

Modern Slavery Act 2015 Statement

The UK Modern Slavery Act became law on the 26 March 2015. It aims to prevent all forms of labour exploitation, and to increase transparency of labour practices in supply chains. Section 54 (Transparency in Supply Chains) of the Modern Slavery Act 2015 requires eligible commercial organisations to make a public statement as to the actions they have taken to detect and deal with forced labour and trafficking in their supply chains. We are committed to meeting the requirements of this Act. You can read our latest progress statement, republished in March 2020, on our website here: **https://www.leicspart.nhs.uk/modern-slavery-act-2015/**

Statement on EU Exit

The NHS has adopted a single operational response model to respond to EU exit, COVID-19 and winter pressures. This model remains in place. While the limited disruption to services as a result of EU exit is welcome news, we will maintain our current level of preparedness in case of potential further impacts on service delivery in the coming months. The Trust's EU exit group remains in place, and is ready to respond to any issues that may arise. EU exit is managed as a workstream within LPT's Incident Control Centre.

Statement of 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, the 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 and
- 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 they 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

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.

By order of the Board

Angela Hillery, Chief Executive **Sharon Murphy, Director of Finance**

Statement of the chief executive'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.

Angela Hillery, Chief Executive

Annual Governance Statement

The Board is accountable for internal control. As Accountable Officer, and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum. For the full Annual Governance Statement please see Appendix B.

Angela Hillery, Chief Executive

Board remuneration and staff report

Remuneration

Table 1 shows the remuneration (excluding employer's National Insurance contributions) of the Trust's Board of Directors.

The Remuneration Committee, which comprises all of the non-executive directors, other than the Chair of Audit and Assurance Committee, annually reviews the salaries of its most senior managers taking into account market rates and the pay awards determined nationally for all other groups of staff. The policy for the remuneration of the Trust's senior managers for current and future financial years is as follows:

- Executive Directors: pay is based on national guidance and is agreed by the Trust Remuneration Committee.
- Non–Executive Directors: up to 30 September 2012 the appointment and pay of Non-Executive Directors was determined by the Appointments Commission, this responsibility passed to NHS Improvement on 1 October 2012.
- Performance of the Executive Directors is assessed through the Trust annual individual performance reviews. Performance related pay is not part of the remuneration package.
- The performance of the Non-executive directors is assessed annually by the Chair using the NHS Improvement appraisal system.

The summary and explanation of the Trust policy on the duration of contracts, notice periods and termination payments is as follows:

- Executive Directors are on permanent employment contracts. The notice period that the Trust is required to give the Executive Directors is six months. The notice period the Executive Directors are required to give the Trust is three months.
- Non-Executive Directors are appointed by NHS Improvement to serve an initial tenure of three or four years, with an extension subject to review by NHS Improvement (Appointments Commission up to 30 September 2012). There is no provision for compensation due to early termination of contracts.

The salaries, performance arrangements and remuneration packages for the joint posts with NHFT including the CEO, The Director of Strategy and Business Development and The Director of Governance Risk are determined by the Northamptonshire Healthcare Foundation Trust who hold their employment contracts. As part of the secondment arrangement the LPT Remuneration Committee NRC feed into the NHFT NRC in relation to the performance of these staff. In addition to the above a joint post of Interim Chief Finance Officer was appointed to a joint post, in February 2021, which is subject to a similar approach but has an element of direct employment with LPT which is governed in the same way as the LPT Directors who are Directly employed by LPT.

Angela Hillery, Chief Executive

Salaries and allowances of senior managers

TABLE 1: SALARIES AND ALLOWANCES OF SENIOR MANAGERS

Name and Title	2020/21					2019/20				
	Salary (bands of £5,000)	Expense Payments (taxable) total to nearest £100	Performance Pay and Bonuses (bands of £5,000)	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	Performance Pay and Bonuses (bands of £5,000)	All Pension related benefits (bands of £2,500)	Total (bands of £5,000)
	£000	£00	£000	£000	£000	£000	£00	£000	£000	£000
Rachel Bilsborough, Divisional Director CHS	110-115	0	0	0	110-115	110-115	0	0	17.5-20	130-135
Daniela Cecchini, Director of Finance (upto 31/12/2020)	145-150	0	0	15-17.5	165-170	125-130	0	0	17.5-20	145-150
Dr Sue Elcock, Medical Director (upto 31/05/2020)	15-20	14	15-20	315-317.5	355-360	100-105	51	65-70	0	175-180
Cathy Ellis, Chair	35-40	0	0	0	35-40	35-40	0	0	0	35-40
Professor Kevin Harris, Non-Executive Director (wef 17/09/18)	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Darren Hickman, Non-Executive Director	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Angela Hillery, Chief Executive (Employed by NHFT - see Note 1)										
Dr Avinash Hiremath, Medical Director (wef 01/06/2020)	95-100	0	45-50	57.5-60	205-210	0	0	0	0	0

Name and Title	2020/21					2019/20				
	Salary (bands of £5,000)	Expense Payments (taxable) total to nearest £100	Performance Pay and Bonuses (bands of £5,000)	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	Performance Pay and Bonuses (bands of £5,000)	All Pension related benefits (bands of £2,500)	Total (bands of £5,000)
	£000	£00	£000	£000	£000	£000	£00	£000	£000	£000
Faisal Hussain, Non-Executive Director	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Gordon King, Director of Adult Mental Health	110-115	0	0	82.5-85	195-200	60-65	0	0	90-95	155-160
Ruth Marchington, Non-Executive Director	10-15	0	0	0	5-10	5-10	0	0	0	5-10
Dr Peter Miller, Chief Executive (Up to 31/07/2019)	0	0	0	0	0	55-60	0	0	0	55-60
Sharon Murphy, Interim Director of Finance (wef 01/01/2021)	25-30	0	0	30-32.5	60-65	0	0	0	0	0
Anne-Maria Newham, Chief Nurse (01/06/19-19/01/20)	0	0	0	0	0	75-80	0	0	195-200	275-280
Chris Oakes, Director of Corporate Governance and Risk (Employed by NHFT - see Note 1)										
Elizabeth Rowbotham, Non-Executive Director	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Geoff Rowbotham, Non-Executive Director	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Dr Anne Scott, Director of Nursing, AHPs and Quality	120-125	0	0	282.5-285	400-405	85-90	0	0	0	85-90

Name and Title	2020/21					2019/20				
	Salary (bands of £5,000)	Expense Payments (taxable) total to nearest £100	Performance Pay and Bonuses (bands of £5,000)	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	Performance Pay and Bonuses (bands of £5,000)	All Pension related benefits (bands of £2,500)	Total (bands of £5,000)
	£000	£00	£000	£000	£000	£000	£00	£000	£000	£000
Helen Thompson, Divisional Director FYPC	110-115	0	0	22.5-25	130-135	110-115	0	0	5-7.5	120-125
David Williams, Director of Business Strategy & Business Development (Employed by NHFT - see Note 1)										
Sarah Willis, Director of HR & Organisational Development	110-115	0	0	45-47.5	130-135	105-110	0	0	17.5-20	125-130
Richard Wheeler, Interim Chief Finance Officer (wef 01/02/2021) (Employed by NHFT - see Note 1)										

Notes

1) Angela Hillery, Chris Oakes, David Williams and Richard Wheeler are also employed by Northamptonshire Healthcare Foundation Trust (NHFT); their full salary and pension disclosures are included within NHFT's remuneration report.

2) Rachel Bilsborough's pension started from 07/12/2020.

TABLE 2: PENSION ENTITLEMENTS OF SENIOR MANAGERS

Name and Title	Real increase in pension at pension age (bands of £2,500)	Real increase in lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2021 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2021 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2021	Cash Equivalent Transfer Value at 31 March 2020	Real increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
Rachel Bilsborough, Divisional Director CHS	0	0	0	0	0	953	0
Daniela Cecchini, Director of Finance	0-2.5	0-2.5	40-45	115-120	978	923	33
Dr Sue Elcock, Medical Director (01/04/20-31/05/20)	0-2.5	5-7.5	50-55	100-105	812	549	39
Dr Avinash Hiremath, Medical Director (wef 01/06/2020) (See Note 2)	2.5-5	0-2.5	15-20	0-5	206	155	20
Gordon King, Director of Adult Mental Health (see Note 1)	2.5-5	12.5-15	50-55	160-165	0	1079	0
Sharon Murphy, Interim Director of Finance (wef 01/01/2021)	0-2.5	0-2.5	25-30	55-60	562	511	0
Dr Anne Scott, Director of Nursing, AHPs and Quality	12.5-15	32.5-35	45-50	120-125	920	633	261
Helen Thompson, Divisional Director FYPC	0-2.5	0	40-45	115-120	1014	949	33
Sarah Willis, Director of HR & Organisational Development	2.5-5	0-2.5	20-25	30-35	326	274	31

Real increase/decrease in CETV is subject to rounding.

Notes

1) There is no lump sum figures available for Dr Avinash Hiremath as he is in the 2008 pension scheme

2) There is no CETV for 2020/21 as Gordon King took his pension on 29/01/2021

3) NHS Pensions are using pension and lump sum data from their systems without any adjustment for a potential future legal remedy required as a result of the McCloud judgement. (This is a legal case concerning age discrimination over the manner in which UK public service pension schemes introduced a CARE benefit design in 2015 for all but the oldest members who retained a Final Salary design.). We believe this approach is appropriate given that there is still considerable uncertainty on how the affected benefits within the new NHS 2015 Scheme would be adjusted in the future, once legal proceedings are completed.

Pay Multiples

	2020-21	2019-20
Mid band of highest paid director's total remuneration (£)	147,500	172,500
Median total remuneration (£)	30,615	30,112
Ratio	4.82	5.73

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

The mid band of the highest paid director in Leicestershire Partnership NHS Trust in the financial year 2020/21 was £147,500 (2019/20: £172,500). This was 4.82 times the median remuneration of the workforce (2019/20: 5.73 times). The median remuneration of the workforce was £30,615 in 2020/21 and £30,112 in 2019/20. The ratio has reduced due to a change in the most highly paid director; the previously highest paid director vacated post on 31st May 2020.

48 Medical staff received remuneration in excess of the highest-paid director (2019/20: only one Medical consultant). Remuneration ranged from £8,100 to £197,000 (2019/20 £7,600 to £191,000).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in kind, as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. Remuneration also includes any costs associated with agency workers.

Consultancy

There are occasions that the Trust considers expenditure on consultancy to be the most cost appropriate course of action. Over the 2020/21 financial period, the Trust spent £1,685,000 with various consultancies (2019/20: £356,000). The vast majority of this spend relates to general management and IT consultancy services. There has been an overall increase in consultancy costs due to the impact of Covid-19, to support extra costs relating to the pandemic and for the set up of the vaccination programme.

Exit Packages

Exit packages totalling £68,000 were agreed during 2020/21 for staff leaving the Trust. These related to one compulsory redundancy and contractual payments in lieu of notice. More details are shown at Table 4: Exit Packages.

Off-payroll Engagements

The Treasury instructs all NHS bodies to disclose in their annual report details of any off-payroll engagements that have a cost of more than £245 per day and that last longer than six months.

Table 1: Off-payroll engagements longer than 6 months

For all off-payroll engagements as of 31 March 2021, for more than £245 per day and that last longer than six months:

	Number
No. of existing engagements as of 31 March 2021	5
Of which:	
No. that have existed for less than one year at time of reporting	1
No. that have existed for between one & two years at time of reporting	1
No. that have existed for between two and three years at time of reporting	2
No. that have existed for between three and four years at time of reporting	0
No. that have existed for four or more years at time of reporting	1

All off-payroll engagements are requested to confirm that they are paying the correct amount of tax and national insurance contributions. Assurance is sought for all engagements that meet the criteria laid out by the Treasury.

Table 2: New Off-payroll engagements

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021, for more than £245 per day and last longer than six months

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	1
Of which:	
No. assessed as caught by IR35	1
No. assessed as not caught by IR35	0
No. engaged directly (via PSC contracted to department) and are on the departmental payroll	0
No. of engagements reassessed for consistency / assurance purposes during the year	0
No. of engagements that saw a change to IR35 status following the consistency review	0

Table 3: Off-payroll board member/senior official engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021:

	Number
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. of individuals that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both off-payroll and on-payroll engagements *	13

* This number includes 4 board members (including Chief Executive) who are also employed by Northamptonshire Healthcare Foundation Trust (NHFT) and whose salary details are fully disclosed within NHFT’s remuneration report.

Table 4: Exit Packages

Exit package cost band (including any special payment element)	*Number of compulsory redundancies	Cost of compulsory redundancies	**Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£0s	Number	£0s	Number	£0s	Number	£0s
Less than £10,000	0	0	10	33,000	10	33,000	0	0
£10,000 - £25,000	0	0	0	0	0	0	0	0
£25,001 - £50,000	1	35,000	0	0	1	35,000	0	0
£50,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
Total	**1**	**35,000**	**10**	**33,000**	**11**	**68,000**	**0**	**0**

* Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Pension Agency. Exit costs in this note are accounted for in full in the year of departure. Where the Trust has agreed early retirements, the additional costs are met by the organisation and not by the NHS pension's scheme. Ill-health retirement costs are met by the NHS pension's scheme and are not included in the table.

** All of the other departures agreed outside of compulsory redundancies (10 in total) relate to contractual payments in lieu of notice (£33,000).

Table 5: Staff costs

	Permanent £000	Other £000	2020/21 Total £000	2019/20 total £000
Salaries and wages	162,843	18,128	180,971	169,556
Social security costs	16,310	0	16,310	15,221
Apprenticeship levy	859	0	859	817
Employer's contributions to NHS pensions	31,507	0	31,507	30,471
Pension cost - other	88	0	88	71
Termination benefits	48	0	48	295
Temporary staff - Agency	0	15,246	15,246	10,193
Total Gross staff costs	**211,655**	**33,374**	**245,029**	**226,624**
Recoveries from other bodies in respect of staff cost netted off expenditure	(183)	0	(183)	(313)
Total Staff Costs	**211,472**	**33,374**	**244,846**	**226,311**
Of which costs capitalised as part of assets	1,919	0	1,962	1,962

Table 6: Average number of employees (WTE basis)

	Permanent Number	Other Number	2020/21 Total Number	2019/20 Total Number
Medical and dental	182	18	200	184
Administration and estates	1,112	101	1,213	1,214
Healthcare assistants and other support staff	904	276	1,180	1,203
Nursing, midwifery and health visiting staff	1,529	214	1,743	1,750
Scientific, therapeutic and technical staff	956	20	976	935
Total average numbers	**4,683**	**629**	**5,312**	**5,286**
Of which:				
Number of employees (WTE) engaged on capital projects	41	0	41	45

Other financial information

Better Payment Practice Code

The Late Payment of Commercial Debts (Interest) Act 1988 gives effect to the Government's commitment to introduce a statutory right for businesses to claim interest on the late payment of commercial debts. Unless other agreed terms apply, all undisputed bills are to be paid within 30 days of receipt of goods/services or a valid invoice, whichever comes later. The Trust has signed up to the Better Payment Practice Code. Measure of compliance against the Better Payment Practice Code is available in our financial accounts.

Parliamentary accountability and audit report

Leicestershire Partnership NHS Trust is exempt from providing this report as we do not directly report to parliament.

Audit Fee

The Trust's external auditor for the period 1 April 2020 to 31 March 2021 was KPMG. The 2020/21 audit fee of £58k relates to the annual statutory audit of the Trust's financial accounts.

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF LEICESTERSHIRE PARTNERSHIP NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Leicestershire Partnership NHS Trust ("the Trust") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2021 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to NHS Trusts in England and included in the Department of Health and Social Care Group Accounting Manual 2020/21.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit and Assurance Committee and internal audit and inspection of policy documentation as to the Trust's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Trust's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve statutory break-even duties and/or control totals delegated to the Trust by NHS Improvement
- Reading Trust Board and Audit and Assurance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reviewing the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk of incentive for revenue to be manipulated into the wrong period around the year end and the risk that Trust management may be in a position to make inappropriate accounting entries.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals and provisions.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included postings containing key words, postings to accounts that contain significant estimates or year-end adjustments, postings by individuals who do not typically post, and postings between unrelated accounts.
- Assessing significant estimates for bias.
- Inspecting transactions in the period prior to and following 31 March 2021 to verify revenue had been recognised in the correct accounting period.
- Inspecting transactions in the period prior to and following 31 March 2021 to verify expenditure had been recognised in the correct accounting period.
- Evaluating accruals posted as at 31 March 2021 and verifying accruals are appropriate and accurately recorded.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Trust's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Trust is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Trust is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. Under paragraph 2(1) of Schedule 5 to the National Health Service Act 2006 the Trust must ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to revenue account (the breakeven duty). In reporting on compliance with the breakeven duty the Trust is required to comply with the Department of Health and Social Care's 'Guidance on Breakeven Duty and Provisions', We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.[1]

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

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

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and

[1] If we have identified indirect laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements this wording should be replaced by the wording in Example Report 2.2.1 in Appendix 2 of Chapter 2 of the AARM and "Firstly" should be included in the paragraph on direct laws and regulations.

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

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Report

In our opinion the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2020/21.

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 61, the directors are responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on page 62 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

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

As explained in the statement set out on page 62 the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(3)(c), as amended by 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.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

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

- 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 issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

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

This report is made solely to the Board of Directors of Leicestershire Partnership NHS 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 Board of the Trust, as a body, 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 Board of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Leicestershire Partnership NHS Trust for the year ended 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Andrew Cardoza
for and on behalf of KPMG LLP
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham B4 6GH

11 June 2021

Accountability Statement

The purpose of the accountability section of the annual report is to meet key accountability requirements to Parliament. I confirm that the information contained in pages 53 to 78 of this report meet those requirements stipulated in the Department of Health and Social Care Group Accounting Manual 2020/21.

Angela Hillery, Chief Executive

Financial statements

Summary of financial statements

The Financial Accounts for 2020/21 are presented with the Annual Report in Appendix A and I am pleased to confirm that we have achieved all of our statutory and planned financial duties and delivered a £9k surplus. Considering the significant change to the financial regime in 2020/21 and the uncertainty that this brought, alongside our continued delivery of safe services throughout the pandemic, this is an excellent achievement. I would like to thank all our teams who have contributed to balancing the financial and clinical demands of providing healthcare to our local population.

For 2021/22, the simplified NHS financial regime introduced in 2020/21 as a response to the pandemic will continue at least until the end of September 2021. During this period, income from local commissioners (being approximately 84% of our total expected income) is set based on our income receipts in quarter 3 of the previous year plus inflation. This will provide sufficient funds for the Trust to operate and deliver an income & expenditure break-even in the first half of the financial year. For the period October 2021 to March 2022, the funding arrangements and wider financial regime are still to be announced.

Building on our proven track record of financial delivery, and with the flexibility and commitment of all of our staff, I am confident that we will continue to ensure financial stability throughout 2021/22.

After considering all information available, the directors have a reasonable expectation that the Trust has adequate resources to continue operating for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Trust's accounts.

Copies of the full accounts are available free of charge, from feedback@leicspart.nhs.uk.

Sharon Murphy

Director of Finance

Angela Hillery

Chief Executive

Contact us

We welcome your questions or comments on this report or our services.

Comments should be sent to:

Chief Executive
Leicestershire Partnership NHS Trust
Unit 2, Bridge Park Plaza
Bridge Park Road
Thurmaston
Leicester LE4 8BL

Telephone: **0116 295 0030**
Fax: **0116 225 3684**
Email: **feedback@leicspart.nhs.uk**

You can also follow the Trust on social media:

Twitter @LPTnhs
Facebook/LPTnhs
YouTube/LPTnhs
Website www.leicspart.nhs.uk

Quality Account

You may also be interested to read our Quality Account for 2020-21, which complements this Annual Report and Summary Accounts. Copies of the Quality Account, and extra copies of this document are available from the communications team at the above address.

These documents, alongside a shorter summary of the annual report, are also available on our website at www.leicspart.nhs.uk

Need this report in a different language?

If you need this information in another language or format please telephone 0116 295 0903 or email: Patient.Information@leicspart.nhs.uk

Arabic

إذا كنت في حاجة إلى قراءة هذه المعلومات بلغة أخرى أو بتنسيق مختلف، يرجى الاتصال بهاتف رقم0903 295 0116أو إرسال بريد إلكتروني إلى: Patient.Information@leicspart.nhs.uk

Bengali

যদি এই তথ্য অন্য কোন ভাষায় বা ফরমেটে আপনার দরকার হয় তাহলে দয়া করে 0116 295 0903 নম্বরে ফোন করুন বা Patient.Information@leicspart.nhs.uk ঠিকানায় ই-মেইল করুন।

Traditional Chinese

如果您需要將本資訊翻譯為其他語言或用其他格式顯示，請致電 0116 295 0903 或發電子郵件至：Patient.Information@leicspart.nhs.uk

Gujarati

જો તમારે આ માહિતી અન્ય ભાષા અથવા ફોર્મેટમાં જોઇતી હોય તો 0116 295 0903 પર ટેલિફોન કરો અથવા Patient.Information@leicspart.nhs.uk પર ઇમેઇલ કરો.

Hindi

अगर आप यह जानकारी किसी अन्य भाषा या प्रारूप में चाहते हैं तो कृपया 0116 295 0903 पर हमें फोन करें या Patient.Information@leicspart.nhs.uk पर हमें ईमेल करें

Polish

Jeżeli są Państwo zainteresowani otrzymaniem niniejszych informacji w innym języku lub formacie, prosimy skontaktować się z nami telefonicznie pod numerem 0116 295 0903 lub za pośrednictwem poczty elektronicznej na adres: Patient.Information@leicspart.nhs.uk

Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਇਹ ਜਾਣਕਾਰੀ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਜਾਂ ਫਾਰਮੈਟ ਵਿਚ ਚਾਹੀਦੀ ਹੈ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ 0116 295 0903 ਤੇ ਟੈਲੀਫ਼ੋਨ ਕਰੋ ਜਾਂ ਇੱਥੇ ਈਮੇਲ ਕਰੋ: Patient.Information@leicspart.nhs.uk

Somali

Haddii aad rabto in aad warbixintan ku hesho luqad ama nuskhad kale fadlan soo wac lambarka 0116 295 0903 ama email u dir: Patient.Information@leicspart.nhs.uk

Urdu

اگرآپ کو یہ معلومات کسی اور زبان یا صورت میں درکار ہوں تو براہ کرم اس ٹیلی فون نمبر 0903 295 0116 یا ای میل پر رابطہ کریںPatient.Information@leicspart.nhs.uk

Appendix A - Annual Accounts 20-21

Leicestershire Partnership NHS Trust

Annual accounts for the year ended 31 March 2021

Statement of Comprehensive Income

	Note	2020/21 £000	2019/20 £000	Movement £000
Operating income from patient care activities	3	280,244	262,238	18,006
Other operating income	4	45,930	31,627	14,303
Operating expenses	6, 8	(322,655)	(296,794)	(25,861)
Operating surplus/(deficit) from continuing operations		**3,519**	**(2,929)**	**6,448**
Finance income	11	7	140	(133)
Finance expenses	12	(1,014)	(1,002)	(12)
PDC dividends payable		(4,686)	(5,268)	582
Net finance costs		**(5,693)**	**(6,130)**	**437**
Other gains / (losses)	13	-	-	-
Surplus / (deficit) for the year		**(2,174)**	**(9,059)**	**6,885**
Other comprehensive income				
Will not be reclassified to income and expenditure:				
Impairments	7	(3,900)	(14,847)	10,947
Revaluations	18	546	154	392
Total comprehensive income / (expense) for the period		**(5,528)**	**(23,752)**	**18,224**
Adjusted financial performance (control total basis):				
Surplus / (deficit) for the period		(2,174)	(9,059)	6,885
Remove net impairments not scoring to the Departmental expenditure limit		2,401	12,001	(9,600)
Remove I&E impact of capital grants and donations		15	15	-
Remove 2018/19 post audit PSF reallocation (2019/20 only)		-	(114)	114
Remove net impact of inventories received from DHSC group bodies for COVID response		(233)	-	(233)
Adjusted financial performance surplus / (deficit)		**9**	**2,843**	**(2,834)**

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000	Movement £000
Non-current assets				
Intangible assets	15	2,438	2,473	(35)
Property, plant and equipment	16	178,757	179,834	(1,077)
Receivables	24	1,129	1,037	92
Total non-current assets		**182,324**	**183,344**	**(1,020)**
Current assets				
Inventories	23	574	433	141
Receivables	24	8,304	12,162	(3,858)
Non-current assets for sale and assets in disposal groups	26.1	280	-	280
Cash and cash equivalents	27	24,139	15,433	8,706
Total current assets		**33,297**	**28,028**	**5,269**
Current liabilities				
Trade and other payables	28	(21,163)	(19,647)	(1,516)
Borrowings	30	(485)	(451)	(34)
Provisions	33	(2,851)	(313)	(2,538)
Other liabilities	29	(424)	(250)	(174)
Total current liabilities		**(24,923)**	**(20,661)**	**(4,262)**
Total assets less current liabilities		**190,698**	**190,711**	**(13)**
Non-current liabilities				
Borrowings	30	(10,647)	(11,107)	460
Provisions	33	(1,397)	(1,410)	13
Other liabilities	29	-	-	-
Total non-current liabilities		**(12,044)**	**(12,517)**	**473**
Total assets employed		**178,654**	**178,194**	**460**
Financed by				
Public dividend capital		95,441	89,453	5,988
Revaluation reserve		46,158	49,512	(3,354)
Income and expenditure reserve		37,055	39,229	(2,174)
Total taxpayers' equity		**178,654**	**178,194**	**460**

The notes on pages 6 to 41 form part of these accounts.

Name Angela Hillery
Position Chief Executive
Date 9 June 2021

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**89,453**	**49,512**	**39,229**	**178,194**
Surplus/(deficit) for the year	-	-	(2,174)	**(2,174)**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	**-**
Other transfers between reserves	-	-	-	**-**
Impairments	-	(3,900)	-	**(3,900)**
Revaluations	-	546	-	**546**
Public dividend capital received	5,988	-	-	**5,988**
Taxpayers' and others' equity at 31 March 2021	**95,441**	**46,158**	**37,055**	**178,654**

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	**83,675**	**64,205**	**48,288**	**196,168**
Surplus/(deficit) for the year	-	-	(9,059)	**(9,059)**
Impairments	-	(14,847)	-	**(14,847)**
Revaluations	-	154	-	**154**
Public dividend capital received	5,778	-	-	**5,778**
Taxpayers' and others' equity at 31 March 2020	**89,453**	**49,512**	**39,229**	**178,194**

Notes

1) Public dividend capital

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

2) Revaluation reserve

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

3) Income and expenditure reserve

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

Statement of Cash Flows

	Note	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Operating surplus / (deficit)		3,519	(2,929)
Non-cash income and expense:			
Depreciation and amortisation	6.1	9,869	7,729
Net impairments	7	2,401	12,001
(Increase) / decrease in receivables and other assets		2,996	1,898
(Increase) / decrease in inventories		(141)	(113)
Increase / (decrease) in payables and other liabilities		2,841	4,314
Increase / (decrease) in provisions		2,530	(501)
Net cash flows from / (used in) operating activities		**24,015**	**22,399**
Cash flows from investing activities			
Interest received		7	140
Purchase of intangible assets		(372)	(891)
Purchase of PPE and investment property		(15,586)	(13,085)
Net cash flows from / (used in) investing activities		**(15,951)**	**(13,836)**
Cash flows from financing activities			
Public dividend capital received		5,988	5,778
Movement on loans from DHSC		(163)	(163)
Capital element of PFI, LIFT and other service concession payments		(263)	(221)
Interest on loans		(68)	(72)
Interest paid on PFI, LIFT and other service concession obligations		(951)	(933)
PDC dividend (paid) / refunded		(3,901)	(5,875)
Net cash flows from / (used in) financing activities		**642**	**(1,486)**
Increase / (decrease) in cash and cash equivalents		**8,706**	**7,077**
Cash and cash equivalents at 1 April - brought forward		**15,433**	**8,356**
Cash and cash equivalents at 31 March	27.1	**24,139**	**15,433**

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 2020/21 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. Following an assessment of the organisation, the Trust Board believes it has the resources in place to remain viable for the foreseeable future, and will be able to realise its assets and discharge its liabilities in the normal course of business.

Note 1.3 Interests in other entities

The Trust does not have any interests in other entities, including Associates, Joint Ventures and Joint Operations.

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.

(i) 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. Due to the nature of the Trust's contract arrangements, it does not have any partially completed patient care spells as at 31st March 2021. Where income has been received for future service delivery, it is deferred into the following financial year.

(ii) Revenue from research contracts
Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract.

(iii) NHS injury cost recovery scheme

Trusts 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 1.5 Other forms of income

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

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

Note 1.6 Expenditure on employee benefits

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

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

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

Note 1.7 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.

Note 1.8 Discontinued operations
Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

Note 1.9 Property, plant and equipment

Recognition
Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

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.

Depreciation

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

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

Revaluation gains and losses

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

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

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

Impairments

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

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

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. 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.

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.

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions
PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM* , are accounted for as 'on-Statement of Financial Position' by the trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

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

	Min life	**Max life**
	Years	**Years**
Buildings, excluding dwellings	2	70
Plant & machinery	1	12
Information technology	1	7
Furniture & fittings	1	10

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

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.

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.

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

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

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

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

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

Useful 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
Information technology	1	2
Development expenditure	1	5
Websites	4	4

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.

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

Note 1.12 Investment properties
Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

Note 1.13 Cash and cash equivalents
Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

Note 1.14 Financial assets and financial liabilities

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

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

Classification and measurement

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

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets and financial liabilities are classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets 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 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Credit losses are only applied to Non-NHS bodies and excludes any expected credit losses in relation to other NHS bodies.

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

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

Derecognition

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

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

Note 1.15 Leases
Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as a lessee

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

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

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

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

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

The Trust as a lessor

Finance leases

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

Operating leases

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

Note 1.16 Provisions
The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. 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 2021.

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 33.2 but is not recognised in the Trust’s accounts.

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

Note 1.17 Contingencies
Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 34 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note 34, 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, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

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

Note 1.19 Value added tax

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

Note 1.20 Corporation tax

The Trust has determined that it is has no corporation tax liability due to the structure of the organisation and the services it provides.

Note 1.21 Climate change levy
Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.22 Third party assets
Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.23 Losses and special payments
Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

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

Note 1.24 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 1.25 Transfers of functions [to / from] [other NHS bodies / local government bodies]
This note is not relevant to the Trust for 2020/21 as it did not participate in any transfer of functions to or from other NHS or local government bodies.

Note 1.26 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2020/21.

Note 1.27 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

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

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. Currently this rate is 0.91% 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. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

Where the Trust has material PFI or LIFT liabilities with payments linked to a price index, from 1 April 2022, the principles of IFRS 16 will also be applied to the Trust's PFI liabilities where future payments are linked to a price index representing the rate of inflation. The PFI imputed lease liability will be remeasured when a change in the index causes a change in future imputed lease payments and that change has taken effect in the cash flow. Under existing accounting practices, amounts relating to changes in the price index are expensed as incurred. This is expected to increase the PFI liability on the statement of financial position upon transition to IFRS 16. The effect of this has not yet been quantified.

Following the implementation of IFRS 16 in 2022/23, it is estimated that the Trust's asset base on the balance sheet will increase by approximately £28 million (this figure was calculated for the original 2020/21 IFRS 16 transition; work will progress in 2021/22 to determine the updated impact); this will be offset by an increase in liabilities (borrowings).

Note 1.28 Critical judgements in applying accounting policies

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

(i) Private Finance Initiative (PFI)

During the 2009/10 IFRS restatement process the Trust reviewed the details of its PFI contract and concluded that it fell within the scope of International Financial Reporting Interpretations Committee (IFRIC) 12: Service Concession Arrangements. This conclusion was based on the fact that the Trust controls and regulates the services that the asset provides, to whom it is provided to, and retains entitlement to the building at the end of the lease term. The PFI asset was brought onto the balance sheet and is being depreciated over its useful life.

(ii) Local Improvement Finance Trust (LIFT)

During 2010/11 the Trust's LIFT asset was brought onto balance sheet. The Trust occupies 22.9% of St Peters Health Centre and under the arrangements of IFRIC 12: Service Concession Arrangements, the Trust has recognised both the asset and liability on the balance sheet.

Note 1.29 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:

(i) Asset Valuation

The Trust instructs the District Valuer to undertake formal revaluations of its buildings every three years, supplemented by an internal annual property review to identify any significant valuation issues in between formal revaluations. The last formal asset valuation was carried out by the District Valuer in 2017/18 hence the requirement for a full asset valuation in 2020/21. Because of site access issues due to Covid-19, the District Valuer carried out desktop valuations of land and buildings. The Valuer was provided with the 8-year rolling average location factor which was applied to the final valuations. The only exception to the desktop exercise was the valuation of the Beacon Unit, a new build 15-bedded children's mental health unit. The Valuer undertook a physical valuation of the building which resulted in an impairment being recognised in this year's accounts.

In 2019/20 the Trust adopted a new approach to its land valuations. As at 1st April 2019 a hypothetical revaluation method was adopted, as advised by the District Valuer. This valuation method is based on the service potential of a site rather than the actual site in use. The intention was for the hypothetical revaluation exercise to be undertaken over two years and split into two phases: the first phase relating to the land revaluations undertaken in 2019/20 and the second phase relating to building revaluations to be undertaken in 2020/21 (this aligns with the 3-year buildings revaluation policy). Due to implications of the Covid-19 pandemic the second phase has been paused until 2021/22. Using this basis reduces capital charges by eliminating wasted space and reducing building footprints.

(ii) Asset Lives

In accordance with IAS 16: Property, Plant and Equipment, the Trust has undertaken a review of the useful life of all asset types. Buildings lives were reviewed in March 2021 by the Trust Surveyor; only minor changes have been made. Changes to asset lives are accounted for as a change in an accounting estimate in accordance with IAS 8: Accounting Policies, Changes in Accounting estimates and Errors.

(iii) Other COVID-19 considerations

The Covid-19 pandemic has impacted on the disclosures in these accounts, predominantly showing increases in staffing, clinical supplies (including protective personal equipment) and income.

Note 2 Operating Segments

The Trust's operating segments reflect the organisational structure and align with governance and reporting arrangements

Directorate	2020/21 Total Revenue £000s	%	2019/20 Total Revenue £000s	%
Adult Mental Health	98,760	30%	65,749	22%
Community Health Services	88,127	27%	105,341	36%
Families, Young People and Children Services	58,597	18%	58,960	20%
Enabling Services	15,217	5%	13,554	5%
Hosted Services & Estates	22,610	7%	17,714	6%
Trust Central Reserves	28,543	9%	18,689	6%
Learning Disabilities	14,320	4%	13,858	5%
Total revenue	**326,174**	**100%**	**293,865**	**100%**

Management responsibility for Older Persons' services transferred from Community Health Services to Adult Mental Health during 2020/21.

Note 3 Operating income from patient care activities

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

Note 3.1 Income from patient care activities (by nature)	**2020/21 £000**	**2019/20 £000**	**Movement £000**
Mental health services			
Block contract / system envelope income*	134,085	124,070	10,015
Other clinical income from mandatory services	223	-	223
Community services			
Block contract / system envelope income*	113,908	107,150	6,758
Income from other sources (e.g. local authorities)	18,685	18,262	423
All services			
Additional pension contribution central funding**	9,579	9,282	297
Other clinical income	3,764	3,474	290
Total income from activities	**280,244**	**262,238**	**18,006**

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

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

Note 3.2 Income from patient care activities (by source)

	2020/21 £000	**2019/20 £000**	**Movement £000**
Income from patient care activities received from:			
NHS England	17,690	18,431	(741)
Clinical commissioning groups	240,305	221,643	18,662
Department of Health and Social Care	-	-	-
Other NHS providers	3,764	3,474	290
NHS other	-	6	(6)
Local authorities	17,727	18,262	(535)
Non NHS: other	758	422	336
Total income from activities	**280,244**	**262,238**	**18,006**
Of which:			
Related to continuing operations	280,244	262,238	18,006
Related to discontinued operations	-	-	-

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

No income was recognised in the accounts for Overseas Visitors charges (for 2020/21 or 2019/20)

Note 4 Other operating income

	2020/21			2019/20		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	530	-	**530**	538	-	**538**
Education and training	10,346	416	**10,762**	9,790	358	**10,148**
Non-patient care services to other bodies	15,509	-	**15,509**	14,984	-	**14,984**
Provider sustainability fund (2019/20 only)	-	-	**-**	2,262	-	**2,262**
Reimbursement and top up funding	11,317	-	**11,317**		-	**-**
Income in respect of employee benefits accounted on a gross basis	183	-	**183**	313	-	**313**
Charitable and other contributions to expenditure	-	4,396	**4,396**		-	**-**
Rental revenue from operating leases	-	435	**435**		551	**551**
Other income	2,798	-	**2,798**	2,831	-	**2,831**
Total other operating income	**40,683**	**5,247**	**45,930**	**30,718**	**909**	**31,627**
Of which:						
Related to continuing operations			45,930			31,627
Related to discontinued operations			-			-

Note 5 Additional information on revenue from contracts with customers recognised in the period

Because the Trust's revenue relates to contracts with an expected duration of one year or less, and contracts where the trust recognises revenue directly corresponding to work done to date (i.e. all performance obligations have been satisfied), no further IFRS15 disclosure notes are required.

Note 6.1 Operating expenses

	2020/21	2019/20	Movement
	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,675	1,745	930
Purchase of healthcare from non-NHS and non-DHSC bodies	1,380	1,827	(447)
Staff and executive directors costs *	240,600	221,743	18,857
Remuneration of non-executive directors	110	88	22
Supplies and services - clinical (excluding drugs costs) *	9,174	3,295	5,879
Supplies and services - general	2,919	3,364	(445)
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	3,447	3,333	114
Inventories written down	106	19	87
Consultancy costs *	1,685	356	1,329
Establishment	4,691	4,097	594
Premises	29,993	22,809	7,184
Transport (including patient travel)	1,763	2,927	(1,164)
Depreciation on property, plant and equipment **	9,462	7,400	2,062
Amortisation on intangible assets	407	329	78
Net impairments	2,401	12,001	(9,600)
Movement in credit loss allowance: contract receivables / contract assets	-	146	(146)
Movement in credit loss allowance: all other receivables and investments	(732)	(129)	(603)
Increase/(decrease) in other provisions	248	-	248
Change in provisions discount rate(s)	106	143	(37)
Audit fees payable to the external auditor			
audit services- statutory audit	58	64	(6)
other auditor remuneration (external auditor only)	-	4	(4)
Internal audit costs	162	152	10
Clinical negligence	1,387	1,035	352
Legal fees	421	319	102
Insurance	28	32	(4)
Research and development	629	595	34
Education and training ***	3,391	2,893	498
Rentals under operating leases	5,030	4,844	186
Redundancy	48	295	(247)
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	526	548	(22)
Car parking & security	3	-	3
Hospitality	11	26	(15)
Losses, ex gratia & special payments	-	-	-
Other services, e.g. external payroll	366	331	35
Other	160	163	(3)
Total	**322,655**	**296,794**	**25,861**
Of which:			
Related to continuing operations	322,655	296,794	25,861
Related to discontinued operations	-	-	-

* There has been an overall increase in costs due to the impact of Covid-19; this is especially reflective in staffing, consultancy and clinical supplies expenditure to support extra costs relating to the pandemic and for the set up of the vaccination programme.

** Depreciation charges have increased due to the application of accelerated depreciation for the RIO patient system; this system was decommissioned during the year following the replacement to SystmOne patient records system.

*** Expenditure relating to continuing professional development (£278k) and the mental health and wellbeing hub initiative (£213k) represents the increase in education and training costs. Funding was received in year to support this additional spend.

Note 6.2 Nightingale hospital

During 2020/21 there was no requirement for the Trust to host a Nightingale facility as part of the regional coronavirus pandemic response.

Note 6.3 Other auditor remuneration

During 2020/21 there were no other auditor remuneration costs (2019/20: £4k).

Note 6.4 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2020/21 or 2019/20.

Note 7 Impairment of assets

	2020/21	2019/20
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	2,401	(1,255)
Other	-	13,256
Total net impairments charged to operating surplus / deficit	**2,401**	**12,001**
Impairments charged to the revaluation reserve	3,900	14,847
Total net impairments	**6,301**	**26,848**

The following table details the 2020/21 impairment reasons, split between operating surplus/ (deficit) and revaluation reserve impairments:

	Total Revaluation Impact	Impairment Charge	Impairment Reversal	Net Impairment Total	Revaluation Upward (SOFP)
Net impairments charged to operating surplus/(deficit)	£000	£000	£000	£000	£000
Land:					
3-yearly formal DV valuation	(34)	(43)	9	(34)	0
Transfer to current assets held for sale - Rubicon Close	2	0	2	2	0
	(32)	**(43)**	**11**	**(32)**	**0**
Buildings:					
3-yearly formal DV valuation	1,162	(1,548)	2,710	1,162	0
Impairment on in-year capital additions	(429)	(429)	0	(429)	0
Valuation of Beacon unit (newly constructed)	(3,102)	(3,102)	0	(3,102)	0
	(2,369)	**(5,079)**	**2,710**	**(2,369)**	**0**
Total	**(2,401)**	**(5,122)**	**2,721**	**(2,401)**	**0**
Net impairments charged to the revaluation reserve					
Land:					
3-yearly formal DV valuation	(568)	(671)	103	(568)	0
Transfer to current assets held for sale - Rubicon Close	64	0	59	59	5
	(504)	**(671)**	**162**	**(509)**	**5**
Buildings:					
3-yearly formal DV valuation	(2,120)	(3,160)	498	(2,662)	542
Impairment on in-year capital additions	(729)	(729)	0	(729)	0
	(2,849)	**(3,889)**	**498**	**(3,391)**	**542**
Total	**(3,353)**	**(4,560)**	**660**	**(3,900)**	**547**
Total					
3-yearly formal DV valuation	**(1,560)**	**(5,422)**	**3,320**	**(2,102)**	**542**
Transfer to current assets held for sale - Rubicon Close	**66**	**0**	**61**	**61**	**5**
Valuation of Beacon unit (newly constructed)	**(3,102)**	**(3,102)**	**0**	**(3,102)**	**0**
Impairment on in-year capital additions	**(1,158)**	**(1,158)**	**0**	**(1,158)**	**0**
Total	**(5,754)**	**(9,682)**	**3,381**	**(6,301)**	**547**

Impairments are charged to operating expenditure when the related land or building does not have a revaluation reserve attached to the asset

Note 8 Employee benefits

	2020/21 Total £000	2019/20 Total £000	Movement £000
Salaries and wages	180,971	169,556	11,415
Social security costs	16,310	15,221	1,089
Apprenticeship levy	859	817	42
Employer's contributions to NHS pensions	31,507	30,471	1,036
Pension cost - other	88	71	17
Termination benefits	48	295	(247)
Temporary staff (including agency)	15,246	10,193	5,053
Total gross staff costs	**245,029**	**226,624**	**18,405**
Recoveries in respect of seconded staff	(183)	(313)	-
Total staff costs	**244,846**	**226,311**	**18,405**
Of which			
Costs capitalised as part of assets	1,919	1,962	(43)

Note 8.1 Retirements due to ill-health

During 2020/21 there were 3 early retirements from the trust agreed on the grounds of ill-health (4 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £113k (£240k in 2019/20).

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

Note 9 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

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

c) Other Pension Schemes

In 2013/14 the Trust participated in the pensions auto-enrolment exercise. The Trust's preferred pensions provider was the National Employment Savings Trust. (NEST). Staff who previously were not members of the NHS pensions scheme automatically enrolled on to this scheme and they then had the option to opt out of NEST. As at 31 March 2021, 230 employees were members of NEST.

Note 10 Operating leases

Note 10.1 Leicestershire Partnership NHS Trust as a lessor

This note discloses income generated in operating lease agreements where Leicestershire Partnership NHS Trust is the lessor.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	435	551
Total	**435**	**551**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	1,052	1,121
- later than one year and not later than five years;	1,308	1,802
- later than five years.	380	511
Total	**2,740**	**3,434**

Note 10.2 Leicestershire Partnership NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Leicestershire Partnership NHS Trust is the lessee.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	5,030	4,844
Total	**5,030**	**4,844**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	3,890	4,355
- later than one year and not later than five years;	11,618	13,488
- later than five years.	6,102	6,484
Total	**21,610**	**24,327**
Future minimum sublease payments to be received	-	-

Note 11 Finance income

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

	2020/21	2019/20
	£000	£000
Interest on bank accounts	7	140
Total finance income	**7**	**140**

Note 12.1 Finance expenditure

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

	2020/21	2019/20
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	68	69
Main finance costs on PFI and LIFT schemes obligations	602	620
Contingent finance costs on PFI and LIFT scheme obligations	349	310
Total interest expense	**1,019**	**999**
Unwinding of discount on provisions	(5)	3
Total finance costs	**1,014**	**1,002**

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

The Trust did not incur any charges for late payment of commercial debts in 2020/21 or 2019/20

Note 13 Other gains / (losses)

The Trust did not incur any gains or losses on the disposal of assets in 2020/21 or 2019/20

Note 14 Discontinued operations

The Trust did not discontinue any of its operations in 2020/21

Note 15.1 Intangible assets - 2020/21

	Software licences	Internally generated information technology	Development expenditure	Websites	Intangible assets under construction	Total
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**-**	**172**	**1,761**	**135**	**1,216**	**3,284**
Additions	-	-	58	-	314	**372**
Reclassifications	-	-	28	-	(28)	**-**
Valuation / gross cost at 31 March 2021	**-**	**172**	**1,847**	**135**	**1,502**	**3,656**
Amortisation at 1 April 2020 - brought forward	**-**	**116**	**664**	**31**	**-**	**811**
Provided during the year	-	42	338	27	-	**407**
Amortisation at 31 March 2021	**-**	**158**	**1,002**	**58**	**-**	**1,218**
Net book value at 31 March 2021	**-**	**14**	**845**	**77**	**1,502**	**2,438**
Net book value at 1 April 2020	**-**	**56**	**1,097**	**104**	**1,216**	**2,473**

Note 15.2 Intangible assets - 2019/20

	Software licences	Internally generated information technology	Development expenditure	Websites	Intangible assets under construction	Total
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**6**	**196**	**1,166**	**134**	**939**	**2,441**
Additions	-	17	491	2	381	**891**
Reclassifications	1	-	104	(1)	(104)	**-**
Disposals / derecognition	(7)	(41)	-	-	-	**(48)**
Valuation / gross cost at 31 March 2020	**-**	**172**	**1,761**	**135**	**1,216**	**3,284**
Amortisation at 1 April 2019 - as previously stated	**6**	**118**	**391**	**15**	**-**	**530**
Provided during the year	-	39	265	25	-	**329**
Transfers to / from assets held for sale	1	-	8	(9)	-	**-**
Disposals / derecognition	(7)	(41)	-	-	-	**(48)**
Amortisation at 31 March 2020	**-**	**116**	**664**	**31**	**-**	**811**
Net book value at 31 March 2020	**-**	**56**	**1,097**	**104**	**1,216**	**2,473**
Net book value at 1 April 2019	**-**	**78**	**775**	**119**	**939**	**1,911**

Note 16.1 Property, plant and equipment - 2020/21

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - brought forward	**18,128**	**146,036**	**6,517**	**5,483**	**26,228**	**1,790**	**204,182**
Additions	-	5,503	1,495	804	6,513	105	**14,420**
Impairments	(714)	(8,968)	-	-	-	-	**(9,682)**
Reversals of impairments	173	3,208	-	-	-	-	**3,381**
Revaluations	5	(10,583)	-	-	-	-	**(10,578)**
Reclassifications	-	4,839	(6,248)	-	1,409	-	**-**
Transfers to / from assets held for sale	(100)	(180)	-	-	-	-	**(280)**
Disposals / derecognition	-	-	-	-	-	-	**-**
Valuation/gross cost at 31 March 2021	**17,492**	**139,855**	**1,764**	**6,287**	**34,150**	**1,895**	**201,443**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**7,322**	**-**	**2,605**	**13,342**	**1,079**	**24,348**
Provided during the year	-	3,814	-	511	4,964	173	**9,462**
Reversals of impairments	-	-	-	-	-	-	**-**
Revaluations	-	(11,124)	-	-	-	-	**(11,124)**
Disposals / derecognition	-	-	-	-	-	-	**-**
Accumulated depreciation at 31 March 2021	**-**	**12**	**-**	**3,116**	**18,306**	**1,252**	**22,686**
Net book value at 31 March 2021	**17,492**	**139,843**	**1,764**	**3,171**	**15,844**	**643**	**178,757**
Net book value at 1 April 2020	**18,128**	**138,714**	**6,517**	**2,878**	**12,886**	**711**	**179,834**

Note 16.2 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**45,787**	**139,040**	**2,196**	**5,754**	**24,650**	**2,091**	**219,518**
Additions	-	3,803	6,343	388	3,031	103	**13,668**
Impairments	(27,659)	(2,706)	(1,811)	-	-	-	**(32,176)**
Reversals of impairments	-	5,565	-	-	-	-	**5,565**
Revaluations	-	199	-	-	-	-	**199**
Reclassifications	-	211	(211)	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(76)	-	(659)	(1,453)	(404)	**(2,592)**
Valuation/gross cost at 31 March 2020	**18,128**	**146,036**	**6,517**	**5,483**	**26,228**	**1,790**	**204,182**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**3,603**	**-**	**2,788**	**11,555**	**1,312**	**19,258**
Provided during the year	-	3,513	-	476	3,240	171	**7,400**
Reversals of impairments	-	237	-	-	-	-	**237**
Revaluations	-	45	-	-	-	-	**45**
Disposals / derecognition	-	(76)	-	(659)	(1,453)	(404)	**(2,592)**
Accumulated depreciation at 31 March 2020	**-**	**7,322**	**-**	**2,605**	**13,342**	**1,079**	**24,348**
Net book value at 31 March 2020	**18,128**	**138,714**	**6,517**	**2,878**	**12,886**	**711**	**179,834**
Net book value at 1 April 2019	**45,787**	**135,437**	**2,196**	**2,966**	**13,095**	**779**	**200,260**

Note 16.3 Property, plant and equipment financing - 2020/21

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021							
Owned - purchased	17,492	130,580	1,764	3,171	15,844	643	**169,494**
On-SoFP PFI contracts and other service concession arrangements	-	8,771	-	-	-	-	**8,771**
Owned - donated/granted	-	492	-	-	-	-	**492**
NBV total at 31 March 2021	**17,492**	**139,843**	**1,764**	**3,171**	**15,844**	**643**	**178,757**

Note 16.4 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020							
Owned - purchased	18,128	129,254	6,517	2,878	12,886	711	**170,374**
On-SoFP PFI contracts and other service concession arrangements	-	8,953	-	-	-	-	**8,953**
Owned - donated/granted	-	507	-	-	-	-	**507**
NBV total at 31 March 2020	**18,128**	**138,714**	**6,517**	**2,878**	**12,886**	**711**	**179,834**

Note 17 Donations of property, plant and equipment

The Trust did not receive any donations for property plant and equipment in 2020/21

Note 18 Revaluations of property, plant and equipment

The Trust instructs the District Valuer to undertake formal revaluations of its buildings every three years, supplemented by an internal annual property review to identify any significant valuation issues in between formal revaluations. The last formal asset valuation was carried out by the District Valuer in 2017/18 hence the requirement for a full asset valuation in 2020/21. Because of site access issues due to Covid-19, the District Valuer carried out desktop valuations of land and buildings. The Valuer was provided with the 8-year rolling average location factor which was applied to the final valuations. The only exception to the desktop exercise was the valuation of the Beacon Unit, a new build 15-bedded children's mental health unit. The Valuer undertook a physical valuation of the building which resulted in an impairment being recognised in this year's accounts.

In 2019/20 the Trust adopted a new approach to its land valuations. As at 1st April 2019 a hypothetical revaluation method was adopted, as advised by the District Valuer. This valuation method is based on the service potential of a site rather than the actual site in use. The intention was for the hypothetical revaluation exercise to be undertaken over two years and split into two phases: the first phase relating to the land revaluations undertaken in 2019/20 and the second phase relating to building revaluations to be undertaken in 2020/21 (this aligns with the 3-year buildings revaluation policy). Due to implications of the Covid-19 pandemic the second phase has been paused until 2021/22. Using this basis reduces capital charges by eliminating wasted space and reducing building footprints.

The breakdown of valuations undertaken during the year is shown below. :

	£000
3-yearly formal DV valuation	(1,560)
Transfer to current assets held for sale - Rubicon Close	66
Valuation of Beacon unit (newly constructed)	(3,102)
Impairment on in-year capital additions	(1,158)
	(5,754)

Note 19.1 Investment Property

The Trust did not hold any investment property as at 31st March 2021 or 31st March 2020

Note 19.2 Investment property income and expenses

The Trust did not have any investment property income and expenses in 2020/21 or 2019/20

Note 20 Investments in associates and joint ventures

The Trust did not have any investments in associates or joint ventures as at 31st March 2021 or 31st March 2020

Note 21 Other investments / financial assets (non-current)

The Trust did not hold any other investments or financial assets as at 31st March 2021 or 31st March 2020

Note 22 Disclosure of interests in other entities

The Trust did not hold any investment property as at 31st March 2021 or 31st March 2020

Note 23 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	272	351
Consumables	302	82
Total inventories	**574**	**433**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £6,198k (2019/20: £1,961k). Write-down of inventories recognised as expenses for the year were £106k (2019/20: £19k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £4,396k of items purchased by DHSC.

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

Note 24.1 Receivables

	31 March 2021 £000	31 March 2020 £000	Movement £000
Current			
Contract receivables *	5,953	10,483	(4,530)
Allowance for impaired contract receivables / assets	(341)	(391)	50
Allowance for other impaired receivables	-	(732)	732
Prepayments (non-PFI)	1,516	1,295	221
PDC dividend receivable	101	886	(785)
VAT receivable	934	481	453
Other receivables	141	140	1
Total current receivables	**8,304**	**12,162**	**(3,858)**
Non-current			
PFI lifecycle prepayments	733	718	15
Other receivables **	396	319	77
Total non-current receivables	**1,129**	**1,037**	**92**
Of which receivable from NHS and DHSC group bodies:			
Current	2,875	7,806	(4,931)
Non-current	396	319	77

* Following the application of IFRS 15 from 1 April 2018, entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. The Trust did not have any contract assets as at 31st March 2021 or 31st March 2020.

** Non-current other receivables relates to the clinician pension tax provision reimbursement funding from NHSE

Note 24.2 Allowances for credit losses

	2020/21			2019/20		
	Contract receivables and contract assets	All other receivables	Total	Contract receivables and contract assets	All other receivables	Total
	£000	£000	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**391**	**732**	**1,123**	**245**	**861**	**1,106**
Changes in existing allowances	-	-	-	146	(129)	17
Reversals of allowances	-	(732)	(732)	-	-	-
Utilisation of allowances (write offs)	(50)	-	(50)	-	-	-
Allowances as at 31 Mar 2021	**341**	**-**	**341**	**391**	**732**	**1,123**

The reversal of 'all other receivables allowance' of £732,000 relates to a succesful HMRC VAT appeal. HMRC reimbursed the Trust with all of the VAT payments associated with the construction costs of Mill Lodge.

Note 24.3 Exposure to credit risk

The Trust has examined its exposure to credit risk and is satisfied that the current allowance of £341k for credit losses is adequate. This covers all Non-NHS debt greater than 12 months, adjusted for those customers who have confirmed payment will be made to the Trust in 2021/22. The aged debt profile is shown below, including the previous year's for comparison purposes.

As at 31st March 2021	NHS Debt	Non-NHS Debt	Ex-Employee Debt	Total
	£000	£000	£000	£000
30 days or less	869	1,976	7	**2,852**
31 - 60 days	308	54	6	**368**
61 - 90 days	236	102	5	**343**
Over 90 days	276	1,430	188	**1,894**
	1,689	**3,562**	**206**	**5,457**

1) The Trust does not provide for NHS debt; any payment disputes are dealt with as part of the NHS Agreement of Balances exercise.

2) Of the £1,430k Non-NHS debt over 90 days, two customers have confirmed that £1,075k will be paid. This only leaves £355k remaining which if not paid is covered by the £341k allowance for credit losses.

3) Ex-Employee debt is recovered via agreed instalment payment plans.

As at 31st March 2020	NHS Debt	Non-NHS Debt	Ex-Employee Debt	Total
	£000	£000	£000	£000
30 days or less	2,164	1,598	23	**3,785**
31 - 60 days	666	238	12	**916**
61 - 90 days	413	174	2	**589**
Over 90 days	1,972	518	168	**2,658**
	5,215	**2,528**	**205**	**7,948**

Note 25 Other assets

The Trust did not hold any other assets in 2020/21 or 2019/20

Note 26.1 Non-current assets held for sale and assets in disposal groups

As at 31st March 2021 the Trust held £280k of land and buildings in non-current assets held for sale. This relates solely to the planned sale of one property (Rubicon Close) during 2021/22. There were no non-current assets held for sale as at 31st March 2020.

Note 26.2 Liabilities in disposal groups

The Trust had no liabilities in disposal groups in 2020/21 or 2019/20

Note 27.1 Cash and cash equivalents movements

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

	2020/21	2019/20
	£000	£000
At 1 April	**15,433**	**8,356**
Net change in year	8,706	7,077
At 31 March	**24,139**	**15,433**
Broken down into:		
Cash at commercial banks and in hand	62	68
Cash with the Government Banking Service	24,077	15,365
Total cash and cash equivalents as in SoFP	**24,139**	**15,433**
Total cash and cash equivalents as in SoCF	**24,139**	**15,433**

Note 27.2 Third party assets held by the trust

Leicestershire Partnership NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2021	31 March 2020
	£000	£000
Bank balances	49	47
Monies on deposit	-	42
Total third party assets	**49**	**89**

All monies on deposit was transferred back to patients current accounts during 2020/21. There were no patients' monies held in deposit accounts as at 31st March 2021.

Note 28.1 Trade and other payables

	31 March 2021	31 March 2020	Movement
	£000	£000	£000
Current			
Trade payables	2,232	3,391	(1,159)
Capital payables	1,089	2,240	(1,151)
Accruals	10,097	6,876	3,221
Social security costs	2,780	2,529	251
Other taxes payable	1,913	1,661	252
Other payables	3,052	2,950	102
Total current trade and other payables	**21,163**	**19,647**	**1,516**
Of which payables from NHS and DHSC group bodies:			
Current	1,726	3,713	(1,987)
Non-current	-	-	-

Note 28.2 Early retirements in NHS payables above

The Trust did not have any payables liabilities relating to early retirements in 2020/21 or 2019/20

Note 29 Other liabilities	31 March 2021	31 March 2020	Movement
	£000	£000	£000
Current			
Deferred income: contract liabilities	424	250	174
Total other current liabilities	**424**	**250**	**174**
Non-current			
Deferred income: contract liabilities	-	-	-
Total other non-current liabilities	**-**	**-**	**-**

Note 30.1 Borrowings	31 March 2021	31 March 2020	Movement
	£000	£000	£000
Current			
Loans from DHSC	188	188	-
Obligations under PFI, LIFT or other service concession contracts	297	263	34
Total current borrowings	**485**	**451**	**34**
Non-current			
Loans from DHSC	3,184	3,347	(163)
Obligations under PFI, LIFT or other service concession contracts	7,463	7,760	(297)
Total non-current borrowings	**10,647**	**11,107**	**(460)**

Note 30.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC	PFI and LIFT schemes	Total
	£000	£000	£000
Carrying value at 1 April 2020	**3,535**	**8,023**	**11,558**
Cash movements:			
Financing cash flows - payments and receipts of principal	(163)	(263)	**(426)**
Financing cash flows - payments of interest	(68)	(602)	**(670)**
Non-cash movements:			
Application of effective interest rate	68	602	**670**
Carrying value at 31 March 2021	**3,372**	**7,760**	**11,132**

Note 30.3 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC	PFI and LIFT schemes	Total
	£000	£000	£000
Carrying value at 1 April 2019	**3,701**	**8,244**	**11,945**
Cash movements:			
Financing cash flows - payments and receipts of principal	(163)	(221)	**(384)**
Financing cash flows - payments of interest	(72)	(620)	**(692)**
Non-cash movements:			
Application of effective interest rate	69	620	**689**
Carrying value at 31 March 2020	**3,535**	**8,023**	**11,558**

Note 31 Other financial liabilities

The Trust does not have any other financial liabilities in 2020/21 or 2019/20

Note 32 Finance leases

Other than PFI and LIFT schemes, the Trust does not have any finance leases

Note 33.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2020	**82**	**1,121**	**64**	**53**	**403**	**1,723**
Change in the discount rate	77	29	-	-	-	**106**
Arising during the year	-	-	111	13	2,832	**2,956**
Utilised during the year	(106)	(83)	(79)	(53)	(157)	**(478)**
Reversed unused	(3)	-	(13)	-	(38)	**(54)**
Unwinding of discount	-	(5)	-	-	-	**(5)**
At 31 March 2021	**50**	**1,062**	**83**	**13**	**3,040**	**4,248**
Expected timing of cash flows:						
- not later than one year;	28	83	83	13	**2,644**	**2,851**
- later than one year and not later than five years;	22	332	-	-	**-**	**354**
- later than five years.	-	647	-	-	**396**	**1,043**
Total	**50**	**1,062**	**83**	**13**	**3,040**	**4,248**

	Other
	£000
Other provisions	
Clinical pension tax *	396
Half day annual leave **	427
Flowers legal case ***	411
HR tribunals	279
Contract - early exit fee	530
Computer systems HMRC VAT liability	919
Dilapidations	78
	3,040

Clinical pensions tax *

Clinicians who are members of the NHS Pension Scheme and face an annual allowance tax charge for work undertaken in 2019/20 can elect to have this charge paid by the NHS Pension Scheme. The employing trust will make a contractually binding commitment to pay a corresponding compensated amount on retirement, therefore the provider has a future obligation upon the individual's retirement. This payment will be nationally funded therefore any provisions recognised are matched with a receivable from NHS England.

Half day annual leave **

The half day annual leave provision of £427k relates to the cost of the half day annual leave award; notified to staff in 2020/21 and to be taken in 2021/22. An additional annual leave accrual of £511k is included in the payables balance; this covers the cost of 5 days' 2020/21 annual leave carried forward into 2021/22.

Flowers legal case ***

Following the outcome of a 2018 Employment Appeal Tribunal (Flowers and others v East of England Ambulance Trust), the Department of Health (DH) has instructed all Trusts to include a provision to cover the cost of enhanced annual leave payments. The provision amount has been calculated centrally by DH using the centralised ESR staffing system. This payment will be nationally funded therefore any provisions recognised are matched with a receivable from NHS England.

Note 33.2 Clinical negligence liabilities

At 31 March 2021, £15,948k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Leicestershire Partnership NHS Trust (31 March 2020: £12,993k).

Note 34 Contingent assets and liabilities

	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities		
NHS Resolution legal claims	(46)	(26)
Gross value of contingent liabilities	**(46)**	**(26)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(46)**	**(26)**
Net value of contingent assets	**-**	**-**

Note 35 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	4,147	2,613
Intangible assets	-	-
Total	**4,147**	**2,613**

Contractual capital commitments as at 31st March 2021 relate to the Mental Health dormitories elimination scheme which commenced in 2020/21. The commitment of £4,147k relates to the works to be undertaken at the Bradgate Unit and Evington Hospital during 2021/22.

Note 36 Other financial commitments

The Trust does not have any other financial commitments as at 31st March 2021.

Note 37 Defined benefit pension schemes

The Trust only participates in the two defined pension benefit schemes, as disclosed at Note 9.

Note 38 On-SoFP PFI, LIFT or other service concession arrangements

PFI

The PFI building; the Agnes Unit, was handed over to the Trust for commissioning and operational use from 18th September 2008. The Agnes Unit is used as an Assessment and Treatment facility for people with a Learning Disability and also includes 4 high intensive support beds for Learning Disability users. The unitary payment associated with the building was £1,377,000 for the period to March 2021. The PFI contract is for hard facilities management services only, incorporating the maintenance and life cycling of the building by the PFI contractor for the 30 year concession period. The unitary charge is linked to the Retail Price Index (RPI) and as such the charge should only alter with changes in RPI. The Trust recognises the asset as an item of property, plant and equipment (PPE), together with a liability to pay for it. The services received under the contract are recorded as operating expenses. The fair value of the PFI building is £7,229k as at 31 March 2021, with a corresponding liability of £6,691k. At the end of the 30 year concession period the Trust will own the asset.

LIFT

During 2010/11 the Trust's LIFT asset was brought onto balance sheet, in line with International Financial Reporting Standards requirements. The Trust's occupies 22.9% of St Peters Health Centre and under the arrangements of IFRIC 12: Service Concession Arrangements, the Trust has recognised both the asset and liability on the balance sheet). The asset value at the end of this year is £1,542k. The Trust will not own the asset at the end of the 25 year lease term. Because the Trust is not lead signatory on the head lease agreement, it is not accountable for any obligation changes to the contract (this responsibility transferred to NHS Property Services upon the demise of Leicester City PCT).

Note 38.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2021 £000	31 March 2020 £000
Gross PFI, LIFT or other service concession liabilities	**13,599**	**14,464**
Of which liabilities are due		
- not later than one year;	878	864
- later than one year and not later than five years;	3,216	3,280
- later than five years.	9,505	10,320
Finance charges allocated to future periods	(5,839)	(6,441)
Net PFI, LIFT or other service concession arrangement obligation	**7,760**	**8,023**
- not later than one year;	297	263
- later than one year and not later than five years;	1,118	1,093
- later than five years.	6,345	6,667

Note 38.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**35,111**	**36,866**
Of which payments are due:		
- not later than one year;	1,783	1,740
- later than one year and not later than five years;	7,590	7,408
- later than five years.	25,738	27,718
	35,111	**36,866**

Note 38.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2020/21 £000	2019/20 £000
Unitary payment payable to service concession operator	**1,740**	**1,698**
Consisting of:		
- Interest charge	602	620
- Repayment of balance sheet obligation	263	220
- Service element and other charges to operating expenditure	526	548
- Contingent rent	349	310
Total amount paid to service concession operator	**1,740**	**1,698**

Note 39 Off-SoFP PFI, LIFT and other service concession arrangements

The Trust does not have any Off-SoFP PFI, LIFT and other service concession arrangements.

Note 40 Financial instruments

Note 40.1 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 commissioners and the way these commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

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

Currency risk

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

Interest rate risk

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

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 (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are mostly incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 40.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2021	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	6,149	-	-	**6,149**
Cash and cash equivalents	24,139	-	-	**24,139**
Total at 31 March 2021	**30,288**	**-**	**-**	**30,288**

Carrying values of financial assets as at 31 March 2020	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	9,409	-	-	**9,409**
Cash and cash equivalents	15,433	-	-	**15,433**
Total at 31 March 2020	**24,842**	**-**	**-**	**24,842**

Note 40.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	3,372	-	**3,372**
Obligations under PFI, LIFT and other service concession contracts	7,760	-	**7,760**
Trade and other payables excluding non financial liabilities	15,916	-	**15,916**
Total at 31 March 2021	**27,048**	**-**	**27,048**

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	3,535	-	**3,535**
Obligations under PFI, LIFT and other service concession contracts	8,023	-	**8,023**
Trade and other payables excluding non financial liabilities	15,292	-	**15,292**
Total at 31 March 2020	**26,850**	**-**	**26,850**

Note 40.4 Maturity of financial liabilities

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

	31 March 2021	31 March 2020 restated*
	£000	£000
In one year or less	17,024	16,389
In more than one year but not more than five years	4,104	4,181
In more than five years	12,454	13,486
Total	**33,582**	**34,056**

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

Note 40.5 Fair values of financial assets and liabilities

The Trust deems book value (carrying value) to be a reasonable approximation of fair value

Note 41 Losses and special payments	2020/21		2019/20	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Bad debts and claims abandoned	1	-	2	1
Stores losses and damage to property	12	16	12	19
Total losses	**13**	**16**	**14**	**20**
Special payments				
Ex-gratia payments	27	42	22	83
Total special payments	**27**	**42**	**22**	**83**
Total losses and special payments	**40**	**58**	**36**	**103**
Compensation payments received		-		-

Note 42 Gifts

The Trust did not make any gifts in either 2020/21 or 2019/20

Note 43 Related parties

During the year none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Leicestershire Partnership NHS Trust.

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

CCGs
NHS Foundation Trusts
NHS Trusts
NHS Litigation Authority
NHS England
NHS Business Services Authority
NHS Supply Chain

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 (the lender) at the point borrowing is undertaken.

The Trust manages the administrative arrangements for its charitable funds and is the corporate Trustee of 'Raising Health'. Because the value of the Trust's charitable funds is not material to the accounts (£2.4m), the Trust will follow the same approach as last year and not consolidate its charitable funds into the exchequer accounts for 2020/21.

Note 44 Transfers by absorption

The Trust has not undertaken any transfers by absorption during 2020/21.

Note 45 Prior period adjustments

The only prior period adjustment relates to the reclassification of the 2019/20 annual leave accrual. £110k has been transferred from provisions to accruals, as directed by the Department of Health.

Note 46 Events after the reporting date

No events after the reporting date have been identified.

Note 47 Final period of operation as a trust providing NHS healthcare

This note does not apply to the Trust as it is a continuing Trust providing NHS healthcare.

Note 48 Better Payment Practice code

Non-NHS Payables	2020/21 Number	2020/21 £000	2019/20 Number	2019/20 £000
Total non-NHS trade invoices paid in the year	28,964	94,842	29,384	108,112
Total non-NHS trade invoices paid within target	28,522	93,751	28,275	105,255
Percentage of non-NHS trade invoices paid within target	98.5%	98.8%	96.2%	97.4%
NHS Payables				
Total NHS trade invoices paid in the year	1,101	64,645	916	53,583
Total NHS trade invoices paid within target	1,061	63,221	871	53,231
Percentage of NHS trade invoices paid within target	96.4%	97.8%	95.1%	99.3%

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 of valid invoice, whichever is later.

Note 49 External financing limit

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

	2020/21 £000	2019/20 £000
Cash flow financing	(3,144)	(1,683)
External financing requirement	**(3,144)**	**(1,683)**
External financing limit (EFL)	10,872	5,739
Under / (over) spend against EFL	**14,016**	**7,422**

Note 50 Capital Resource Limit

	2020/21 £000	2019/20 £000
Gross capital expenditure	14,792	14,559
Charge against Capital Resource Limit	**14,792**	**14,559**
Capital Resource Limit	14,792	14,602
Under / (over) spend against CRL	**-**	**43**

Note 51 Breakeven duty financial performance

	2020/21 £000	2019/20 £000
Adjusted financial performance surplus / (deficit) (control total basis)	9	2,843
IFRIC 12 breakeven adjustment *	-	6
Add back impact of prior year PSF post accounts reallocation *	-	114
Breakeven duty financial performance surplus / (deficit)	**9**	**2,963**

* Excluded from adjusted financial performance in Statement of Comprehensive Income

Note 52 Breakeven duty rolling assessment

	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
Breakeven duty in-year financial performance		1,732	1,700	6,562	4,228	2,911	2,626
Breakeven duty cumulative position	1,080	2,812	4,512	11,074	15,302	18,213	20,839
Operating income		138,873	138,466	282,464	281,886	267,367	273,950
Cumulative breakeven position as a percentage of operating income		2.0%	3.3%	3.9%	5.4%	6.8%	7.6%

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Breakeven duty in-year financial performance	1,356	2,244	4,742	5,607	2,963	9
Breakeven duty cumulative position	22,195	24,439	29,181	34,788	37,751	37,760
Operating income	275,422	277,664	274,503	278,322	293,865	326,174
Cumulative breakeven position as a percentage of operating income	8.1%	8.8%	10.6%	12.5%	12.8%	11.6%

Staff costs

	2020/21			2019/20
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	162,843	18,128	**180,971**	169,556
Social security costs	16,310	-	**16,310**	15,221
Apprenticeship levy	859	-	**859**	817
Employer's contributions to NHS pension scheme	31,507	-	**31,507**	30,471
Pension cost - other	88	-	**88**	71
Other post employment benefits	-	-	**-**	-
Other employment benefits	-	-	**-**	-
Termination benefits	48	-	**48**	295
Temporary staff	-	15,246	**15,246**	10,193
Total gross staff costs	**211,655**	**33,374**	**245,029**	**226,624**
Recoveries in respect of seconded staff	(183)	-	**(183)**	(313)
Total staff costs	**211,472**	**33,374**	**244,846**	**226,311**
Of which				
Costs capitalised as part of assets	1,919	-	**1,919**	1,962

Average number of employees (WTE basis)

	2020/21			2019/20
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	182	18	**200**	184
Ambulance staff	-	-	**-**	-
Administration and estates	1,112	101	**1,213**	1,214
Healthcare assistants and other support staff	904	276	**1,180**	1,203
Nursing, midwifery and health visiting staff	1,529	214	**1,743**	1,750
Nursing, midwifery and health visiting learners	-	-	**-**	-
Scientific, therapeutic and technical staff	956	20	**976**	935
Healthcare science staff	-	-	**-**	-
Social care staff	-	-	**-**	-
Other	-	-	**-**	-
Total average numbers	**4,683**	**629**	**5,312**	**5,286**
Of which:				
Number of employees (WTE) engaged on capital projects	41	-	**41**	42

Reporting of compensation schemes - exit packages 2020/21

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	10	**10**
£10,000 - £25,000	-	-	**-**
£25,001 - 50,000	1	-	**1**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**1**	**10**	**11**
Total cost (£)	£35,000	£33,000	**£68,000**

Appendix B - Annual Governance Statement - 2020/2021

1. Scope of responsibility

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

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Leicestershire Partnership NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Leicestershire Partnership NHS Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

3.1 Leadership Arrangements

The Trust Board is ultimately responsible for the effective and efficient management of the Trust and for ensuring the Trust adheres to the principles of good governance. It is responsible for reviewing the effectiveness of the system of internal control, and for ensuring that the Trust has effective systems and processes in place for risks that threaten the Trust's ability to meet the objectives in its Step Up To Great strategy, and the achievement of it values. Strategic and corporate level risk is captured on the 'Organisational Risk Register' (ORR). Each ORR risk has a link to the relevant Step Up To Great component(s), has an executive director lead, and makes reference to the governance route for oversight of the risk.

The Trust's framework for risk management describes the structure and accountabilities for risk at a senior leadership level, and the responsibility for all staff to know and understand the risk management systems within the Trust and to follow the Trust's policies, guidelines and procedures.

Operational responsibility for risk management sits within clinical and corporate directorates. Operational risk is captured on local and directorate risk registers held on the Ulysses risk system which allows for risk identification, management and escalation in line with the Trust's risk management policy.

Assurance over risks on the ORR is presented to the level one committees. This year we have rolled out the provision of the ORR to the level two committees alongside a cut of the associated operational (local and directorate) risks. Assurance and any escalations are provided to the level one committees via

the highlight reports. During 2021/22 we intend to roll out routine risk review at the level three committees; the committees will receive the pertinent operational risks for specialist discussion and oversight. Assurance and any escalations will be provided to the level 2 committees via the highlight reports. The flow of assurance through the committee structure allows for deep dive review of operational risk, and a consideration of operational risk alongside any corresponding strategic level risk. The use of Highlight Reports has allowed for a flow of assurance over the management of risk through the Trust and up to the Trust Board.

The framework also describes the principal committees with a responsibility for the governance and oversight of risk within the Trust, and the reporting hierarchy to provide assurance to the Board that risk management processes are in place and remain effective. The responsibility for managing risk across the Trust has been delegated by the Board to three level 1 committees; the Audit and Assurance Committee (AAC), the Quality Assurance Committee (QAC) and the Finance and Performance Committee (FPC).

With delegated authority from the Trust Board, The AAC has oversight of the system of internal control, governance and risk. Assurance over the systems and processes in place to support the management of risk is provided to the AAC on a quarterly basis. This includes any relevant updates on policy, training, strategy and new innovations. It also provides assurance over the arrangements for capturing and managing risk relating to the covid-19 pandemic. The AAC also has oversight of the Trust's adherence to the NHS Counter Fraud Authority Standards for NHS Providers 2020-21 - Fraud, bribery and corruption January 2020 Standard 1.4 and a process is in place for the identification of potential threats. This includes joint working with our local counter fraud specialist. Where it is judged that a particular threat poses a risk to the Trust, this risk is assessed by the relevant risk owner and presented to the Risk Review Group, as per Trust policy.

The two assurance committees (QAC and FPC) receive regular risk assurance reports relating to their remit (with some areas of risk such as waiting times relating to both committees and being the subject of joint workshops).

The Trust's Strategic Executive Group has oversight of the improvement of risk management, and has oversight of specific strategic level risks on the ORR. This presently includes a risk around insufficient executive capacity (including the Shared Chief Executive role) to cover demand which will impact on the Trust's ability to achieve its strategic aims. It has also has oversight of a suite of covid specific risks which are progressively being de-escalated to the ICC or closed where appropriate. Financial pressures and system risk are also discussed at the Strategic Executive Board.

Individual Executive Directors are responsible for overseeing a programme of risk management activities in their areas of responsibility and individually review risks within their remit at least once a month to ensure that the ORR is updated for each committee/Trust Board meeting.

During 2020/21 risk management and reporting processes have continued to mature and embed. There is a strengthened assurance flow through the three levels of governance groups / committees up to the Trust Board, each providing a level of assurance over the management of risk and an opportunity to escalate any concerns or opportunities.

3.2 Staff training and guidance on the management of risk

Health and safety risk assessment training is provided on the Trust's induction programme for all new starters. The frequency and level of risk management training is identified through training need assessments, ensuring that individual members of staff have the relevant training to equip them for their duties and level of responsibility. Risk training can be booked on our automated ULearn system.

Full training sessions covering all six risk modules are scheduled in twice a month and module specific training is offered once a month. Ad hoc training is also provided upon request.

In addition, a range of policies are in place and available to staff via the Trust's intranet which describe the roles and responsibilities in relation to the identification, management and control of risk. Staff are made aware of these policies and are actively encouraged to access them to ensure that they understand their own roles and responsibilities.

The Trust takes opportunities to learn from good practice, and members of the risk team attend the Learning Lessons Exchange Group and a tailored learning forum triangulating incidents, inquests, claims, complaints and concerns raised (either via the CQC or our Freedom to Speak Up Guardian). This informs our horizon scanning for risk, which is also informed by external reports (including audit, healthwatch, feedback from our People's Council and Youth Advisory Board, our regulators and NHSEI etc.), internal reports (such as clinical audit, assurance reports and serious incident reports). Risk is an important tool in managing learning.

4. The risk and control framework

4.1 Risk Strategy

The Trust's framework for managing risk seeks to ensure that risks in relation to the delivery of services and care to patients are minimised, that the wellbeing of patients, staff and visitors is optimised and that the assets, business systems and income of the Trust are protected, and where possible opportunities are maximised.

The implementation and ongoing management of a comprehensive, integrated Trust-wide approach to the management of risk is based upon the support and leadership offered by the Trust Board, underpinned by a robust governance framework.

The Trust will always be faced with internal and external factors and influences that make it uncertain whether and when it will achieve its objectives. The Risk Management Policy provides an approach to managing any type of risk; it can be applied to any activity, including decision making at all levels. The components of this framework and the characteristics of effective and efficient risk management (according to BS ISO 31000) have been customised over the last year to enable the Trust to manage the effects of uncertainty pertaining to COVID-19 on its objectives.

4.2 Strategic Risk Management

Strategic risk is identified in a number of ways. Annually, the Board considers any risk relating to the latest set of strategic objectives. There is also on-going review of new risk during the year; at the end of every Trust Board, Executive Team meeting and Level 1 and 2 committees, the agenda prompts for a discussion about whether any new risk has been identified. There is a monthly Executive Director review of risk which can lead to the identification of new risk. There can be escalation from directorate level risks. In addition, the risk team undertakes on-going horizon scanning and also holds a monthly risk review group to consider any areas of emerging risk.

Where a new strategic risk is identified, a risk assessment is undertaken by the Governance and Risk Team, the relevant risk owner and lead Director, and is presented to the approving committee. Scoring is undertaken in line with the Trust Board approved risk appetite statement and matrix to ensure that risks are mitigated to an acceptable level. The risk appetite statement describes what level of risk the Trust Board is willing or unwilling to accept in order to achieve its strategic objectives. This acknowledges the Trust has a low tolerance for all risks that have the potential to expose patients, staff,

visitors and other stakeholders to harm; that compromise the Trust's ability to deliver operational services; that adversely impact the reputation of the Trust; have severe financial consequences or result in non-compliance with law and regulation. The statement then defines tolerances for balancing different elements of risk, including patient safety, reputation, workforce and financial / value for money, based on how much, or how little the Trust wishes to commit in terms of risk.

The Covid-19 pandemic is a clear example of a significant event that impacts on the Board's appetite and tolerance of risk. The executive directors reviewed the appetite score for each risk on the ORR to take account of the impact of covid and in some cases, the appetite was adjusted. The Board approved risk appetite statement still applies and will be subject to a refresh during 2021/22; this will also take account of the priorities for the covid rebuild and reset programme.

Risk management under the ICC command structure arrangements has involved implementation of a risk log process with a chain of risk escalation from Bronze Command (operational) to Silver Command (tactical) to Gold Command (strategic). While managed through this dynamic emergency planning structure, the Covid-19 risk architecture has integrated into the Trust's 'business as usual' risk management and assurance arrangements. The ICC risk log is reviewed weekly by the ICC Lead, relevant executive director and the Deputy Director of Governance and Risk. Any risks on the ICC risk log scoring 16+ where gaps in control are identified, are captured within the Trust's overarching Covid risk (ORR number 40) 'the ability of the Trust to deliver high quality care may be affected during a Coronavirus COVID-19 pandemic'. In addition to the usual reporting mechanisms for the ORR, Risk 40 has been circulated to the Trust Board in a weekly ICC Flash Report and overseen by the Strategic Executive Board.

4.3 Operational Risk Management

Operational risks are identified at a local or directorate level and the risk owner will submit an initial risk assessment on Ulysses for review. This is reviewed by the Risk Review Group (risk specialists, the clinical governance leads, our local counter fraud specialist and risk owners where relevant). The risk is quality assessed and then entered onto the system with the risk owner. Regular quality dashboards are presented to the Directorate Management Teams (DMT) which show fields such as whether the risk is in date for review, if the actions are in date and whether all the fields are complete. If any are due for review or closure this is highlighted to the DMT and the risk owner is automatically notified. The Risk Team also follows this up to provide support where needed. The Risk Review Group also supports any escalation or de-escalation to or from the ORR.

A core internal audit has been undertaken to support the Head of Internal Audit Opinion for 2020/21. This has focussed on the effectiveness of operational risk management and has provided Significant Assurance.

5. Quality Governance Arrangements

5.1 Quality governance

The Trust's quality governance and leadership structure ensures that the quality and safety of care is being routinely monitored across all services. There has been a significant governance journey over the last 12 months, starting with a commitment to further strengthening a role culture to support the delivery of an effective and efficient governance framework. This led to improved clarity over the arrangements for the Corporate Directors and their deputies and teams. It has also strengthened the arrangements for committees and their various levels and their role and function. Key improvements include;

- Aligning and streamlining committees
- Embedding three levels of committee / groups and the use of Highlight Reports for assurance and escalation flow.
- Improvement in the roles of the level one committees and their relationship to Board, e.g. the Board and level one committees FPC and QAC meeting bi-monthly on alternate months.
- A Board Architecture to determine which items are formally delegated to the level 1 committees.
- Executive Team meetings now review level one board committee agendas to ensure key items are progressed.
- An Executive Director is identified as responsible for each item considered at a level one committee.
- A new standard approach to Board reports and committee reports has been adopted utilising a governance table for all reports to capture the following key fields for all papers requiring a decision;
    - STEP up to GREAT strategic alignment
    - Whether the decision required consistent with LPT's risk appetite
    - Any False and misleading information (FOMI) considerations
    - Positive confirmation that the content does not risk the safety of patients or the public
    - Equality considerations
- Level 1 annual and mid-year committee reviews now contain improvement goals leading to strengthened committee performance.
- There are robust quality performance, risk management processes and reporting mechanisms in place to review and challenge performance and variation.
- We have a culture of open and transparent reporting of incidents and risks, supported by a governance structure with three levels of groups and committees to provide specialist oversight and assurance.
- There are monthly finance and performance reports, presenting RAG rated performance and exception narrative for national and local performance standards at a Trust and Directorate level.
- Reporting arrangements also include regular monitoring of progress with key performance measures via the quality account, and quarterly updates on incidents, claims, inquests, patient feedback, complaints and risk.

The Trust's risk and performance management arrangements inherently support the monitoring of ongoing compliance with the requirements for registration set by the CQC. Any risk to compliance identified through routine performance monitoring is escalated through the Trust's risk management framework. The Trust also has a strategic risk on the ORR (No. 5) 'capacity and capability to deliver regulator standards'.

A range of mechanisms is in place to monitor compliance with the CQC's five domains of safe, effective, caring, responsive and well-led. In addition to the range of metrics included within the performance report, and other assurances received such as patient safety and clinical effectiveness reporting. There is regular oversight and scrutiny of compliance with registration and the fundamental standards;

- The Audit and Assurance Committee receives a regular update on the arrangements in place for maintaining registration. This year reporting has made particular reference the update to our certificate of registration and statement of purpose following the closure, change or recovery of services impacted by Covid-19. It has also provided assurance over the registration of vaccination centres.
- The Foundation for Great Patient care monitors progress against CQC improvement action and includes deep dive presentations. A highlight report from the Foundation for Great Patient Care is presented to the Quality Forum with the escalation of any concerns.

- The Strategic Executive Board receives a monthly update on CQC related activity and identifies any concerns raised by the Quality Forum in its highlight report to the Quality Assurance Committee.
- The Quality Assurance Committee receives a regular update on CQC related activity and provides an assurance rating to the Trust Board via its highlight report. This is also discussed at the Strategic Executive Board.
- The Trust Board receives an update on key strategic level developments relating to the CQC. This year updates have included a briefing the CQC's Emergency Support Framework and the Transitional Regulatory Approach.

5.2 Risks to data security

The reporting and management of both data and security risks are supported by ensuring that all staff are reminded of their data security responsibilities through education and awareness. Information governance training forms part of mandatory training requirements. Regular reminders and lessons learned are shared through staff communications, including where identified as a requirement following local incident reviews and risk assessments.

In addition to mandatory staff training, a range of measures are used to manage and mitigate information risks, including, physical security, data encryption, access controls, audit trail monitoring, departmental checklists and spot checks. Information and cyber security requirements form part of the data security and security and protection toolkit and therefore a comprehensive review of systems and processes is co-ordinated through this work. Further assurance is provided from internal audit and other reviews.

The effectiveness of these measures is reported to the Data Privacy Committee and the Finance and Performance Committee. This includes details of any personal data-related Serious Incidents, the Trust's annual Data Security and Protection Toolkit score and reports of other information governance incidents and audit reviews.

In November 2019 the following risk (No.22) 'information systems and processes are not robust enough to militate against cyber-attacks and information breaches' was added to the ORR. Following the completion of mitigating action, additional controls were added and the risk score reduced in June 2020. The Finance and Performance Committee approved the de-escalation of this risk in July 2020 which is now overseen by Data Privacy Committee.

5.3 Embedded Risk Management

Risk is embedded within core Trust business, including processes for major decision making. All business cases require an Equality Impact Assessment and a Quality Impact assessment. A Data Protection Impact Assessment is done where integral to the business case. All business cases must have appropriate review to provide assurance that they are clinically safe, financially sustainable and do not expose the Trust to unmitigated risk. Business cases must use the agreed business case templates (unless an alternative is specifically mandated e.g. by commissioners or for capital bids). If the business case has a clinical model this must be reviewed by the Director of Nursing, AHPs and Quality/ Medical Director; confirmation of review is required before the business case can progress for approval. The Director of Nursing., AHPs and Quality and the Medical Director review the clinical model for all business cases over £50k that directly impact on patients and involve changes to clinical staffing.

The business case is then progressively escalated in accordance with the Trust's Standing Financial Instructions (SFIs).

5.4 Well Led

Board agreed statements on the Well Led key lines of enquiry have been developed with a library of supporting evidence, and an improvement plan monitored by the Executive Team.

Under transitional monitoring review arrangements introduced by the CQC during 2020/21 the Trust has participated in a virtual review with no matters raised for immediate escalation.

6. Principal risks

6.1 Major risks

The Trust's risk profile in 2020/21 accommodated the additional challenges and opportunities presenting from the Covid-19 pandemic, the EU exit and system developments as we worked towards an LLR Integrated Care System. It also had a focus on the safety and wellbeing of our patients and staff.

Covid risk

The Trust's response to the covid pandemic was managed within its existing control environment with the adaptions described below complementing the risk and governance structure. There have been no notable business continuity issues and the Trust's business continuity plan has been used as required. As such the COVID-19 has not constituted a significant control issue for the Trust.

The Trust continues to work in the context of the Covid 19 pandemic, and in this context the Trust has identified that its strategic objective is the 'preservation of life'. Interim governance arrangements were introduced to provide a streamlined approach to decision making, and provide clarity over accountabilities and processes which support Good Governance. These arrangements have been subject to ongoing review and update at an Executive Team and Board level.

The ICC oversees the overall response to the pandemic. The three pillars which support the management and governance of the ICC are the action log, risk register and decision log. The risk log captures any new risk identified by the ICC, or escalated from Silver Command.

The monthly business rhythm for Director level review of the ORR has continued throughout the year. This has included consideration of the impact of COVID-19;

- Initially each risk on the ORR contained a COVID-19 impact box. This was an immediate response and gave priority consideration to impact, particularly on harm and patient experience; this was triangulated with risk identified on the ICC risk log.
- As the management of covid related risk matured, the impact of covid was embedded within risks, and a suite of specific covid related risks were identified on the ORR. This included the consideration of any new risks for inclusion on the ORR escalated from the ICC risk log, or any existing ORR risks which need to be marked as controlled and tolerated during this period. These risks have continued to be reviewed on a monthly basis and are closed and de-escalated when appropriate.
- It was formally acknowledged that risk appetite and tolerance of risks would be increased during COVID-19 and these were reflected on the risk appetite section of the ORR.
- An additional field was introduced into the Ulysses system to flag where local and directorate level risks were significantly impacted by COVID-19.

Interim governance arrangements were established to categorise meetings as critical, high, or partial/low which determined the frequency of meetings. The critical and high categories meetings were then refocused around six key areas of work:

  - COVID-19
  - Quality and Safety
  - The Health and Wellbeing of staff
  - Risk
  - Finance and impacts on performance
  - Statutory requirements

- The Trust combined the Strategic Executive Board and Operations Executive meetings with a focus on these six priority areas. The Combined Executive meeting had oversight of the ICC Risk and Decision logs, service changes, and had major decisions referred-in. We also constituted a Clinical Senate for clinical/medical ethical issues. Towards the end of the 2020/21 the combined board was separated back out into two distinct groups, retaining the focus on the priority areas.
- A weekly Flash Report was issued which included any items needing to be escalated from the ICC to the board such as;
  - CQC related improvement actions which may not be completed
  - Potential breaches of safe staffing which present a clinical risk
  - Financial Decisions which exceed SFI limits and need board approval
  - Significant changes to the Trust's strategy

6.2 Compliance with NHS Provider Licence

The Board of Directors annually considers the Corporate Governance Statement with a view to confirming compliance with condition FT(4) of the provider licence. To assure validity of this statement, a schedule of evidence of compliance with each element of the declaration is prepared by the Trust Executive Group for review by the Board of Directors prior to final approval.

Oversight of compliance with the conditions of the NHS provider licence are based on the Single Oversight Framework. The Trust was issued a Single Oversight Framework rating of 3 for 2019/20;

'Providers receiving mandated support for significant concerns: there is actual or suspected breach of licence, and a Regional Support Group has agreed to seek formal undertakings from the provider or the Provider Regulation Committee has agreed to impose regulatory requirements'.

Whilst the Trust awaits the oversight rating for 2020/21, it cannot technically meet the requirements of the provider licence under a rating of 3. Despite not formally in a position to declare compliance, the Trust believes that this year, effective systems and processes are now in place to maintain and monitor the following

- The effectiveness of governance structures
- The responsibilities of Directors and Board committees
- Reporting lines and accountabilities between the Board of Directors, its committees and the Trust Executive Group
- The submission of timely and accurate information to assess risks to compliance with the Trust's licence
- The degree and rigour of oversight the Board of Directors has over the Trust's performance.

In October 2019 a risk that the performance management framework was not fit for purpose was placed onto the ORR (risk 20). At this time it was scored as a high risk (20). The risk has been mitigated over time and the current risk score is 8. Remaining actions for further mitigation in line with a very low appetite of 4 are aimed at embeddedness and maturity of the revised framework.

7. Workforce strategies

In order to ensure that short, medium and long-term workforce strategies and staffing systems are in place which assure the Trust Board that staffing processes are safe, sustainable and effective, and how the Trust complies with the 'Developing Workforce Safeguards' recommendations, the Trust Board safe staffing report provides an overview of the nursing safe staffing each month. The report triangulates productivity, workforce metrics, quality and outcomes linked to Nurse Sensitive Indicators (NSIs) and patient experience feedback.

The reports also provides updates in response to COVID-19 including; redeployment of staff during waves one and two identified risk managed pathways as per the national safe staffing descriptors and infection prevention and control pathways ensuring individual risk assessments are undertaken for staff. The Trust response to the Covid-19 phased workforce opportunities such as; maximising the effective deployment of nurses into the system through the National NHS "Bring Back Staff" campaign, international recruitment, student deployment and the Health Care Support Worker ambition programme for zero vacancies and a robust staff well-being support programme with well-publicised resources in place for staff.

In responding to redeployment, escalation and surge plans, decisions regarding skill mix and ratios have been undertaken in conjunction with a review of patient acuity and dependency, professional judgement and the environment of care. Quality impact assessments have been reviewed at the Trust Covid-19 Clinical Reference Group, with final sign off by the Executive Director of Nursing and Medical Director.

The Trust continues to demonstrate compliance with the National Quality Board (NQB) expectations to publish safe staffing information each month. The safe staffing data is being regularly monitored and scrutinised for completeness and performance by the Director of Nursing, AHPs and Quality and reported to NHS England (NHSE) via mandatory national returns on a site-by-site basis.

Each directorate has a standard operating procedure for the escalation of safe staffing risks and any significant issues are notified to the Director of Nursing, AHPs and Quality on a daily and weekly basis and highlighted through the monthly reports. The risk appetite in relation to quality and workforce risks is clear within the organisational risk register.

In light of the triangulated review of fill rates, workforce metrics, nurse sensitive indicators and patient feedback, the Director of Nursing, AHPs and Quality is assured that there is sufficient resilience across the Trust not withstanding some areas to note, to ensure that every ward and community team is safely staffed.

8. Compliance Statements

8.1 CQC

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

The latest available Care Quality Commission (CQC) report was published in February 2019 and related to the inspection in November and December 2018. The Trust was rated overall as Requires Improvement and a warning notice was issue to the Trust in January 2019. An improvement plan was developed in response to the nine key improvement areas and the re-inspection report issued in August 2019 confirmed that significant improvement had been made. The Trust continues to self-assess and identify new improvement actions; to ensure the ongoing embeddedness of change following the inspection and re-inspection reports, and to support ongoing continuous improvement. The Trust is awaiting a new inspection and re-rate to confirm the extent of improvement achieved.

8.2 Register of interests

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision making staff (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. The Trust utilises on-line self-service system for all staff, where decision makers are identified. This register is live and available for public view at https://lpt.mydeclarations.co.uk

8.3 NHS Pension Scheme

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 contribution and payments into the Scheme are in accordance with Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the regulations. These are automated processes run by a specialist payroll team to ensure that all staff are assessed and enrolled into the appropriate scheme for their circumstances.

8.4 Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. LPT is fully compliant with its legal and regulatory obligations under the equality Act 2010 and contractual EDI Standards. All information is published on its website in accordance with the EHRC's technical guidance on the publication of information on its external webpages. The Trust reports its EDI progress on an annual basis to its commissioners. All EDI reports, including those on compliance, are discussed and approved through its EDI governance committees (the EDI Patient Experience and Involvement Group and the EDI Workforce Group). Both are chaired by Executive Directors and where appropriate Reports are escalated to Trust Board.

8.5 Sustainable Development

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and Adaptation Reporting requirements are complied with. The Trust has a current Corporate Social Responsibility document in place which encompasses the requirements of the Climate Change Act and we are working towards the production of a Green Plan in 2021/22. This 5 Year Green Plan will address the Trust's responsibilities and commitments to the NHS Long Term Plan, reaching net zero by 2040 and securing a Greener NHS.

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

The Trust's Productivity and Efficiency Strategy (approved in October 2019) describes the importance of embedding a value for money culture within the organisation, through financial training and awareness, multi-professional working, an open and transparent approach around our challenges, advanced partnership working, using research, learning and best practice. The Trust is a member of the HFMA healthcare costing for value institute.

The Trust has a robust process in place for monitoring the efficiency of the use of resources, most evidently through the Cost Improvement Programme (CIP). Under normal financial planning arrangements, the CIP plan is developed by services and peer reviewed by the Trust's executive team in CIP working group and Executive Team meetings. Financial delivery of CIPs is reported to FPC and board every month. All CIP schemes must have a quality impact assessment which has been approved by the Medical Director and Director of Nursing. A quarterly review of the quality impact of CIP schemes is undertaken by services and reviewed by the Medical director and Director of Nursing. The output from the quarterly reviews is reported to the joint FPC/QAC meeting and to the CCGs' Clinical Quality Review

Group meeting. Internal Audit undertakes a variety of audits on efficient use of resources to help understand any areas of weakness in internal controls, and specifically undertake a CIP review. A formal CIP plan has not been in place during 2020/21, as the national financial architecture has been simplified. The CIP process will be reviewed as part of 2021/22 financial and operational planning. Any new CIP process will continue to retain peer review and assessment of quality impacts as core elements of the process.

The Trust has a well-established expenditure control process. The requirement to use purchase orders for applicable spend is also embedded. Both of these processes, together with the use of the authorised delegation limits and procurement requirements in the Trust's Standing Financial Instructions (SFIs), ensure that the Trust minimises unnecessary spend and ensures that value for money is considered before spend is incurred.

Existing expenditure and procurement controls remained in place throughout the Trust's response to Covid-149. Expenditure Control Forms for Covid spend were not required, as most material decisions were made via the ICC and were recorded on the ICC decision log. All other controls remained in place throughout.

The Trust submitted a self-assessment of its compliance with *standards for providers* covering fraud, bribery and corruption to the NHS Counter Fraud Authority (NHSCFA). The NHSCFA did not seek to inspect the Trust in more detail following consideration of the Trust's submission.

9.1 Information Governance

There are a number of controls in place to mitigate information governance (IG) related risk. The reporting and management of both data and security risks is supported by the local and directorate risk registers. Information Governance forms part of the Trust's mandatory training requirements. Regular reminders are provided by the 'ULearn' system and the importance of IG training is communicated to staff through staff communications. There are also a number of measures in place such as physical security, data encryption, access controls, audit trail monitoring, departmental checklists and spot checks. In addition, a comprehensive assessment of information security is taken annually as part of the data security and protection toolkit and further assurance is provided from internal audit and other reviews.

The effectiveness of these measures and oversight of the data security and protection toolkit is undertaken by the Data Privacy Group. This includes details of any personal data-related Serious Incidents, the Trust's annual Data Security and Protection Toolkit score and reports of other information governance incidents, risks and audit reviews. The committee is currently providing positive (green rated) assurance over the management of risk to the Finance and Performance Committee.
During 2020-21 we had 4 incidents in relation to the mishandling of personal identifiable data classified as a 'reportable data breach' under the revised incident reporting guidance – *Guide to the Notification of Data Security and Protection Incidents* published by NHS Digital in conjunction with the Information Commissioners Office (ICO). The ICO confirmed in all cases that no further action was needed. The learning from these incidents has been shared through the Incident Review meetings and where appropriate key message reminders sent out to staff and policies reviewed.

All Information Governance incidents are scrutinised by the Data Privacy Committee in order to ascertain any organisational learning, which is shared through Service Directorate Information Governance and Information Management and Technology Groups where relevant.

9.2 Data quality and governance

An internal audit report into the Trust's data quality framework was issued in May 2020 giving a significant assurance opinion; one risk was raised around the ownership of data quality at executive

and committee level. As a result, the Trust's Data Quality Policy was updated to include this detail. To ensure that the data quality agenda is managed with appropriate service level input, and to ensure oversight at committee level, the data quality group has been incorporated into the Data Privacy Committee (DPC). The DPC is responsible for overseeing the information governance agenda, part of which is to facilitate the work associated with the Data Security and Protection Toolkit, of which data quality is an element. The DPC has amended its terms of reference to formally include responsibility for the data quality group. The DPC will have a split agenda to ensure appropriate focus on data quality and the outputs will be reported to FPC via the highlight report. Following the migration of patient records from Rio to SystmOne, there have been some data quality issues which had a short term impact on performance reporting. Affected metrics have been highlighted in committee reports, and a paper describing the impacts was presented to Trust Board.

9.3 Review of effectiveness

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 the executive managers and clinical leads within the NHS Trust who have responsibility for 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 to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit and assurance committee and the quality assurance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

9.4 The Board

During 2020/21 there were a number of changes in Executive Director personnel;

- Rachel Bilsborough, Director, Community Health Services (Retired end March 2021)
- Due to the retirement of Dani Cecchini, Director of Finance, Estates and Facilities & Deputy Chief Executive in March 2021, the following appointments were made;
  - Sharon Murphy Interim Director of Finance (January 2021)
  - Richard Wheeler Joint (with NHFT) Chief Finance Officer (February 2021)
- Dr Sue Elcock, Medical Director left in May 2020 and Dr Avinash Hiremath was appointed as Interim Medical Director (1st June – 31st August 2020) and then substantive Medical Director from September 2020.
- Frank Lusk, Trust Secretary, retired in May 2020. This role has been incorporated into the Deputy Director of Governance and Risk post.

Due to the covid-19 pandemic the Board schedule was compressed to refocus on our single strategic objective "to preserve life". Public Board agendas were refocused with items on the six covid priority areas. Board Development sessions were shortened during the pandemic to focus on essential development work relating to service transformation or organisational culture. As part of the culture work the Board engaged in sessions which included: leadership behaviours, the NHS People Plan, Well-Led, talent management and succession planning.

9.5 The Audit and Assurance Committee

Annual committee review of effectiveness for 2020/21 has confirmed that the Committee has been quorate and has fulfilled its role according to the Terms of Reference. The Committee has been effective and had continued to meet during covid.

9.6 Quality Committee

Annual committee review of effectiveness for 2020/21 has confirmed that the Committee has been quorate and has fulfilled its role according to the Terms of Reference. The Committee has been effective and has responded to the improvement action determined for the year, and has continued to meet during covid.

9.7 Clinical Audit

The Trust takes all opportunities to learn from good practice and has a systematic quality improvement approach using the NHS Model for Improvement. This is underpinned and strengthened by the undertaking of a programme of internal and external Clinical Audits for clinical quality assurance and control and the implementation of NICE quality standards. The Trust has an annual programme of national and local clinical audits which is presented to the Audit and Assurance Committee, with ongoing oversight of clinical audit outturn at the Clinical Audit, NICE and QI Committee which in turn provides an assurance rating over the delivery and outcome of clinical audits to the to the Clinical Effectiveness Group (CEG) where learning and triangulation takes place.

In 2020/21 we delivered 96 local audits and nine National Clinical Audits. Each audit has an assigned Information Knowledge Hub Core Team Advisor who supports the governance and learning process. Each audit report provides assurance over a level of compliance against each key line of enquiry and action plans are developed to address any issues; these did not lead to the inclusion of any new risk on the system during the year.

9.8 Internal Audit

The internal audit plan was adjusted during the year to respond to the demands of covid. This did not affect the programme of core audit which informs the Head of Internal Audit Opinion.

Any limited or part limited assurance reports received from our internal auditors '360 Assurance' are reviewed by the lead Director and action owners, and presented to the Strategic Executive Group, and the relevant level one committee (QAC or FPC depending on the nature of the review).
During the 2020/21 year, the Trust received two limited assurance reviews and one part limited assurance review as follows;

- Duty of Candour – risk based audit
  Following receipt of a limited assurance audit report in February 2021, immediate action was undertaken, followed by a full audit of progress in March 2021 ahead of the recommended timescales. Confirmation was received by 360 Assurance that 9 of the 12 actions were considered closed at that time, with 3 in progress ahead of anticipated timescales.
- The Deteriorating Patient; Sepsis – risk based audit – Limited Assurance. Immediate action is being taken to address the weaknesses identified.
- Financial Systems – core audit with a split opinion Significant/Limited/Advisory
  One element of the financial systems work relating to covid procurement was given Limited Assurance; this is being addressed by the Trust.

We note that at the time of producing the AGS, there is one review outstanding (Mental Health Act Compliance currently at draft report stage) which will be reported in next year's Head of Internal Audit Opinion and AGS.

The annual Head of Internal Audit Opinion provides an assurance rating over three elements, this year we have a notable improvement in the assurance provided.

- Follow up. We have a strong internal follow up process, with oversight by the Operational Executive Board and the Audit and Assurance Committee. The Trust is currently at a 95% first follow up rate. This has been rated in the Head of Internal Audit Report as significant assurance; the threshold for substantial assurance is 100%. The auditors have made specific reference to our work to develop our processes for improved oversight and management of actions.
- BAF and Strategic Risk Management. This section has been rated in the Head of Internal Audit Opinion as significant assurance due to the further embedding of risk management arrangements within the Trust.
- Audit outturn; this section has been rated as Significant Assurance. The threshold for substantial assurance is to have no limited or part limited assurance reviews during the year, and for there to be no themes around governance or clinical risk resulting from work undertaken. Our approach to audit planning is risk based and so we invite our auditors to assess those areas where the Trust has known concerns. This is more likely to attract scope for limited assurance opinions in audit outturn. Two key themes have been identified by the audit outturn;
    - The Duty of Candour and Deteriorating Patient (focus on sepsis) reviews identified similar issues in relation to training compliance not being accessible/not being able to determine compliance for role related learning, and also a lack of requirements and/or responsibilities for policy monitoring being unclear.
    - Governance issues in relation to monitoring/reporting through the governance structures were identified in the Quality Improvement, Duty of Candour and Deteriorating Patient (focus on sepsis) reviews – this is consistent with themes reported within the 2018/19 and 2019/20 opinions where a number of reviews required improvements within the governance and/or reporting arrangements.

Action is underway to address these themes and progress will be reported to our Operational Executive Board.

9.9 External Audit

The Local Audit and Accountability Act 2014 requires auditors of NHS Bodies to be satisfied that the organisation has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is supported by the Code of Audit Practice, published by the NAO in April 2015, which requires auditors to take into account their knowledge of the relevant local sector as a whole, and the audited body specifically, to identify any risks that, in the auditor's judgement, have the potential to cause the auditor to reach an inappropriate conclusion on the audited body's arrangements. KPMG, as the Trust's appointed external auditors, is required to provide the Trust with a Value for Money conclusion as part of the annual accounts audit; this is in accordance with changing National Audit Office guidance about these reviews for NHS bodies.

The external audit Value for Money Audit Plan has been issued with the following identification of risks of significant VFM weakness;

- Financial Sustainability. Rated Amber, one issue identified – see below
- Governance. Rated Green, no issues identified
- Improving Economy, Efficiency and Effectiveness. Rated Amber, one issue identified – see below

Financial Sustainability

Due to the current levels of planned deficit at both the Trust and Integrated Care System level there is a risk that the Trust does not have in place adequate arrangements to achieve financial sustainability in the medium term.

The Trust will review the process followed to finalise the 2021/22 financial plan for both the Trust and the ICS together with arrangements in place to establish the required efficiency programme central to achievement of the 2021/22 plan.

Improving Economy, Efficiency and Effectiveness

In response to the overall CQC rating 'Requires Improvement', the Trust has established an action plan to oversee improvement. There is a risk that the Trust may not have taken appropriate action or secured improvement in the areas where the CQC identified weaknesses.

The Trust has undertaken a self-assessment and peer review of the action plan addressing the points raised in the CQC warning notice and inspection report to assess and test the progress made against. The Trust also has a Quality Surveillance Tracker to capture any new quality or safety concerns relating to a CQC domain.

9.10 Health and Safety Incidents

The Trust has received and responded to two enquiries from the Health & Safety Executive during the year in relation to compliance with COVID environmental arrangements; the Health & Safety Executive was satisfied with the evidence provided and response given. The Trust has not received any intervention from the Health and Safety Executive during the reporting period that resulted in prosecution or enforcement notification.

Leicestershire Fire Authority have visited and audited various sites throughout the period as part of their rolling audit programme. No formal prosecution or enforcement notifications have been received.

The Trust provided evidence of compliance against the Emergency Preparedness Resilience and Response core standards to NHS England for 2019/20 this resulted in a fully compliant status awarded to the Trust; there was no required assessment for 2020/21 from NHSE/I due to the COVID Pandemic, only Trusts that had not reached this standard were required to submit evidence against the EPRR core standards.

9.11 Sources of assurance

The Board of Directors also received assurances on the use of resources from outside agencies including NHS England and NHS Improvement (NHSE/I) and the CQC. My review is also informed by:

- The ORR report
- Regular Executive reporting to Board and escalation processes through the Board committees
- Audit reports prepared independently by both the internal and external audit agencies. In particular, the ISA260 Audit Completion Report produced by KPMG, our external auditor
- The Trust's compliance with annual performance indicators published by the Department of Health and Social Care
- Ongoing compliance with CQC fundamental standards for all regulated activities across all Trust sites, as part of the registration process and reports on its visits and inspections, including the inspection report following their announced visit in November 2018
- External visits, inspections, accreditations and peer reviews
- Buddy Trust learning and peer review
- Clinical audit reports
- Investigation reports and action plans following Serious Incidents, learning events and deep dives

- User feedback such as monitoring of patient experience, complaints and claims
- Stakeholder feedback including Commissioners, Healthwatch, the People's Council and the Youth Advisory Board
- National Patient Survey results including the Friends and Family Test
- NHS Staff Survey results
- Section 28 reports from the Coroner

10. Conclusion

My review confirms that Leicestershire Partnership NHS Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives and minimises exposure to risk. No significant internal control issues have been identified, however actions are in place to address recommendations for improvement to this control framework made within internal audit reports. The Trust is committed to the continuous improvement of processes of internal control and assurance and as such may introduce additional controls within the forthcoming financial year (2021/22), as the Trust Board deems necessary.

Angela Hillery

Chief Executive

9th June 2021