



Liverpool Women's
NHS Foundation Trust

Liverpool Women's NHS Foundation Trust Annual Report and Accounts

2020–2021



LIVERPOOL WOMEN'S NHS FOUNDATION TRUST

ANNUAL REPORT & ACCOUNTS 2020/21

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the National Health Service Act 2006**

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1. Foreword from the Chair & Chief Executive

We are pleased to introduce the Annual Report and Accounts for Liverpool Women's NHS Foundation Trust covering the period 1 April 2020 to 31 March 2021.

We wrote in last year's foreword that the COVID-19 pandemic was presenting an unquantifiable challenge to the delivery of health and care services. It was difficult to comprehend at that time the extent to which the pandemic would dominate so much of our lives during the year with so many people lost and a complete change to our way of life. We also wrote that we were confident that our people would rise to the challenge. This confidence was not unfounded. The response of our staff to the pandemic and their determination to not only keep patients and colleagues safe but contribute to the response of the wider health system has been amazing and we are truly proud of every single one of them. We pride ourselves in leading an organisation where our people have a clear focus on providing safe and effective healthcare, delivered in a friendly and caring environment and this focus has not been dimmed despite some extensive obstacles presented by the pandemic. Rather, the Board has heard many examples of staff not just going above and beyond in their delivery of effective patient care but also of innovative practice and genuinely ground-breaking approaches to overcoming challenges.

The pandemic does continue to have an impact and reporting requirements for this year's Annual Report remain in a reduced form, similar to last year. Whilst the Trust is not required to include a Quality Report, rather than produce and publish a separate document, as was done in December 2020, we have included a focused section within this report that details the Trust's progress and achievements against a comprehensive range of quality requirements. Despite the reduced form of reporting, we are sure that the information provided in this Annual Report will provide readers with a good appreciation and understanding of the Trust's overall performance and progress during 2020/21.

The effects of the COVID-19 pandemic have been unprecedented and there have been impacts on the Trust's operational performance. The unpredictable sickness absence related to COVID-19 on top of normal absence has been the most significant factor affecting operational performance throughout the whole year. Whilst essential services such as maternity and neonatal care were maintained fully, the Trust has made slower than expected progress in implementing a 'Continuity of Carer' maternity model. Empirical evidence shows that women want and benefit from Continuity of Carer and extending this offer to more women will be a key area of focus during 2021/22.

Following national guidance, the Trust was also required to step down certain services and prioritise others. Out of the services that were prioritised nationally, cancer services maintained previous performance and demonstrated some improvement as the consultant workforce increased throughout the year. Of the services that were nationally mandated to step down, benign gynaecology has seen the greatest effect

on performance with a significant increase in long waiting patients. The Trust will be working closely with system partners to improve this position.

Whilst changes to the NHS financial regime were underway before the start of the COVID-19 pandemic, this was accelerated during 2020/21 with NHS England and NHS Improvement introducing a set of temporary arrangements which suspended the established financial system to enable the NHS to focus on responding to the pandemic. The result of this for the Trust was that we went from delivering a breakeven position for the first half of the year to reporting a £4.0m deficit by the end of the year. A large amount of uncertainty remains in relation to the future financial regime and there continues to be an inherent link between sustainable operational and financial performance and the Trust's 'Future Generations Strategy'. This strategy, which would result in Trust services being co-located with an acute hospital site in the city, was first adopted by the Board in 2015/16 and continues to be the Trust's stated priority for ensuring clinically sustainable services for the women of Liverpool and beyond.

Clearly, progressing this strategy has been a long journey to date and delivering the strategy will not be achieved in the short-term. The Trust took the decision to update its Corporate Strategy and this was approved by the Board in March 2021. The Strategy spans the broad range of activities we undertake as a provider of healthcare, placing equal importance on both the short to medium and long term. Plans for the long-term future of services for women and babies in Liverpool, described by 'Future Generations', are featured prominently and their critical importance is highlighted. They sit alongside our plans for the short and medium term and the strategy sets out our ambitions for the next five years and will provide a clear basis for decision making and planning.

Despite the challenges faced by the Trust this year, we have lots of exciting new initiatives that we have started to progress, including:

- developing and delivering new services on the Crown Street site such as new scanning services and robotic surgery.
- targeting inequality, having a positive impact in our community and becoming the most inclusive NHS organisation.
- embedding a digital first culture and making sure our patients can access the very best digital innovation.

We are always proud of the research that the Trust undertakes and see it as a vital part of improving the quality and experience of care that we provide. Whilst a significant part of the Trust's research agenda was put on hold by the pandemic, resources and efforts were shifted to studies relating to vaccines and other COVID-19 related work and we are pleased that the Trust was able to play its part in the effort to protect people from the virus.

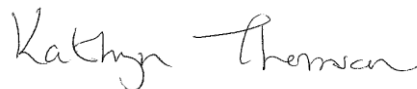
The Trust has also taken steps to learn the lessons from the changes to practice brought about by the pandemic. Not all of these have been negative, and we do not accept that we should only target recovering back to pre-COVID-19 levels. During the

year, the Trust has strengthened its approach to Quality Improvement (QI) and the Board has heard examples of QI projects such as launching the Manual Vacuum Aspiration Service, implementation of an integration software solution for fertility services, use of model ward rounds and methods to improve the uptake of the flu vaccine by pregnant women. We strongly believe that there is an opportunity to return to a stronger place despite uncertainty in terms of the proposed changes to NHS structures and governance in 2021/22. In many ways, the COVID-19 pandemic accelerated and matured existing partnerships and developed some new ones too. The Trust is committed to maintaining these successes in relation to effective partner collaboration and engagement through recovery and into the longer term.

We began this foreword by stating the vital role that our staff have played in the Trust's response to the pandemic. It is important to reiterate that our successes during the year, and there have been many, have only been made possible by the dedication and commitment of our staff and we would like to thank them for their efforts in caring for the women and babies who received services at the Trust throughout the year. Whilst there have been various restrictions, we would also like to thank the many others who support the work of the Trust and contribute their time freely and selflessly, our volunteers, our fundraisers, our governors and our members.



Robert Clarke
Chair
10 June 2021



Kathryn Thomson
Chief Executive
10 June 2021

2. Performance Report

2i. Overview of performance

The purpose of the Overview is to give the reader a summary that provides them with sufficient information to understand the organisation, its purpose, the key risks to achievement of its objectives and how it has performed during the year.

Brief History of Liverpool Women's NHS Foundation Trust

Liverpool Women's NHS Foundation Trust was authorised as a foundation trust on 1 April 2005. Before this date, the Trust operated as Liverpool Women's NHS Hospital Trust. That Trust was created in 1995 when all services for women and babies in Liverpool came together under one roof at Liverpool Women's Hospital on Crown Street in Toxteth, Liverpool, a purpose-built hospital designed for providing care in the twenty-first century. We also began providing services at the Aintree Centre for Women's Health in 2000, which provides care to women from north Liverpool, Sefton and Knowsley.

The Trust is a specialist trust providing maternity, gynaecology and genetics services in Liverpool and the North Mersey conurbation. It is also the recognised specialist provider in Cheshire and Merseyside of high-risk maternity care including fetal medicine, the highest level of neonatal care, complex surgery for gynaecological cancer, reproductive medicine and laboratory and medical genetics. During 2019/20, the Trust transferred its Genetic Laboratory services to Manchester University Hospitals NHS Foundation Trust as part of a national programme for the consolidation of services into seven Genomic Laboratory Hubs across England. The Trust remains a partner and stakeholder and continues to provide Clinical Genetic services.

Divisional Structure

Individual services are delivered through our Divisions which are led by a Divisional Manager with the support of a Senior Leadership team including a Divisional Clinical Director and a Divisional Head of Nursing. Our divisional arrangements were subject to a fundamental review in 2018/19 with a revised divisional structure implemented from 1 April 2019. Oversight of divisional performance is provided by the Executive Team. This has been strengthened throughout 2020/21 with a 'sliding scale' of Executive intervention when required, most notably through weekly oversight meetings. This 'earned autonomy' model will be formalised throughout 2021/22 with the implementation of a 'Governance and Performance Framework'.

Our Divisions are supported by a full range of in-house corporate services which include Finance & Procurement, Workforce & Organisational Development, Corporate Nursing, Information Management Technology and Estates & Facilities.

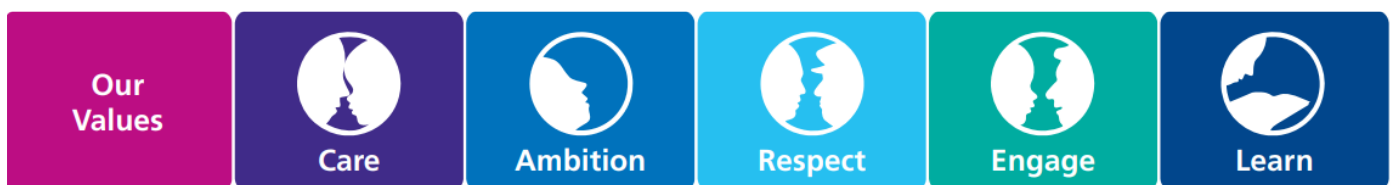
Business Model

The Trust's business model is that of an NHS Foundation Trust. NHS Foundation Trusts are legal entities in the form of public benefit corporations and operate under a licence which is issued by NHS Improvement, the sector regulator for health services in England. The model has a framework of local accountability through a unitary Board of Directors, members and a Council of Governors, which replaced central control from the Secretary of State for Health.

Our vision, aims and values:

To be the recognised leader in healthcare for women, babies and their families

Our shared vision at Liverpool Women's is simple and has withstood the test of time. It is underpinned by a shared set of values based around the needs of our people. We encourage these behaviours in all our staff, partners and volunteers to make sure our values are delivered in the same way, every day, to every person we care for.



We have a set of five strategic aims which are central to all of our strategies and plans, and through working with patients, staff, governors and our partners we have developed a series of ambitions to push those aims one step further, helping us create the mind-set we need to achieve our vision and be outstanding in everything we do:



Our partnerships with other providers and organisations across the city are central to delivering our aims; we know we need to work together to make this happen.

Achievements against the Trust's **WE SEE** strategic aims during 2020/21

We will develop a well led, capable, motivated and entrepreneurial **Workforce**

W

- The Communications & Midwifery Team were shortlisted for #AskAlice at the NHS Communications Initiative of the Year Award at the 2020 HSJ Awards and for Excellence in Engagement and Communications in the HTN awards winning this category, recognising their outstanding contribution to healthcare
- 'Neonatal Telehealth Partnership' were runners up in the HTN awards category of Tech Project of the Year. This project was a good demonstration of partnership working, bringing together the Trust and Alder Hey in clinically supporting neonates.
- Digital Services were shortlisted for implementing a number of projects across the Trust during the COVID-19 pandemic:
 - 'Delivering a future-proofed digital upgrade to Liverpool Women's Hospital' shortlisted in the category for Tech Project of the Year.
 - Virtual Reality (VR) won in the category Best Digital First Project in the HTN awards, presenting an excellent opportunity for patients, carers and relatives of Liverpool Women's to experience the hospital site prior to their visit.
 - The Digital Services team also implemented and successfully transitioned to a 'Paper Free Health Record' which was shortlisted in the category for Major Project Go Live to provide clinicians with immediate access to patient data at point of care in the HTN awards.
- The Freedom to Speak Up (FTSU) Index Report 2020, published on the 9th July 2020, showed that the Trust was among the 10 trusts with the greatest overall increase in their index score over the past year
- The Trust supported the Black Lives Matter movement with a thank you for a piece of artwork designed by the 12-year-old daughter of LWH's Consultant Obstetrician Kiran Jilani.

We will be ambitious and **Efficient** and make best use of available resources

E

- The Trust and Alder Hey have been using new and innovative telemedicine robots to ensure that babies are provided with the best possible care without the clinician being in the room.
- Liverpool Women's launched a 'Food Pantry' to support the local community during COVID-19
- The Trust introduced virtual clinics to offer patient appointments when appropriate throughout the COVID-19 pandemic.
- The Trust successfully launched 'K2 Athena' - an electronic Patient Health Record System which replaced patient handheld notes in the Maternity division.

We will deliver **Safe** services

S

- The Trust was successful in securing £6.5m Capital Financing in order to address some of the clinical challenges on the Crown Street site
- Interserve handed over the redevelopment of our Neonatal Unit to provide a safer and better environment for babies, families, and staff.
- The Trust and Alder Hey have continued to work in partnership to create a Neonatal Service across both hospital sites, in order to care for and protect our most vulnerable babies and provide an improved experience for them, their families, and the staff providing neonatal care.
- The Safeguarding Team has been shortlisted for a 'Learning Disabilities Initiative of the Year' award at this year's HSJ Patient Safety Awards, recognising their outstanding contribution to healthcare.
- The Trust maintained a 'Good' CQC rating following CQC inspection

We will participate in high quality research in order to deliver the most **Effective** outcomes

E

- The Trust engaged in The Strategic One Liverpool Partnership for COVID (STOP COVID), a City-wide response to the COVID-19 pandemic, demonstrating a willingness to pool and manage collective resources.
- Participation in the City-wide Gold / Silver / Bronze research command and control process, providing a structured approach to cross-organisational discussion and decision making, and an ideal platform for successful collaboration.
- Since April 2020, the Trust has been actively engaged in the delivery of 14 COVID-19 related research studies.
- The Trust's research staff have been actively involved in supporting the Liverpool School of Tropical Medicine with the delivery of the Astra Zeneca / Oxford and the COMCOV II vaccine trials.
- In line with Liverpool Health Partners (LHP) strategy, the Trust has commenced work in linking its research with LHP themes such as the Starting Well and Cancer research programmes.
- Commencement of COPE: The Carboprost or Oxytoin haemorrhage Effectiveness study. A grant award of approximately £1.8 million in response to a commissioned call by the National Institute for Health Research HTA will support a 4 year study aiming to randomise nearly 4,000 women following a clinician's decision to give treatment to stop bleeding caused by a postpartum haemorrhage.

We will deliver the best possible **Experience** for patients and staff

E

- During the year, the Trust piloted the use of a 'da Vinci X Robot', a piece of advanced technology that allows the surgeon to perform robotic assisted surgery with impeccable precision. This surgery will shorten recovery time for Gynaecology patients as well as many other benefits. The Board subsequently approved a business case for the robot to be made permanent at the Trust.
- Liverpool Women's scored a 'better' rating in the 2020 Adult Inpatient Survey
- A long serving Nurse created care in a bag for those in need of clothes when admitted to the Gynaecology Emergency Department at the hospital.
- The Trust commenced the roll out of the Continuity of Carer, a new model of care which enables the same team of midwives to care for our mums before, during and after their baby's birth. This model of care has a positive impact on improving safety, clinical outcomes, as well as a better birth experience for our patients.

Headlines 2020/21

In 2020/21 the Trust:

- Delivered 7,569 babies (2019/20 7,953) – an average of 21 babies born at Liverpool Women's every day (2019/20, 22)
- Undertook gynaecological inpatient procedures on 2,794 women (2019/20, 4,635) and 19,648 gynaecological outpatient procedures (2019/20, 30,825)
- Cared for 1,191 babies in our neonatal intensive and high dependency care units (2019/20, 1,267)
- Performed 968 cycles of in vitro fertilisation (IVF) (2018/19, 1,257).

Performance

Operational Performance

Performance against key national targets during 2020/21 was as follows:

Indicator Name	Target	Performance 2020/21	Achieved / Not Achieved
A&E Clinical Quality - Total Time in A&E under 4 hours (accumulated figure)	95%	97.0%	Achieved
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral) - post local breach re-allocation (accumulated figure)	90%	70%	Not Achieved
Cancer 31 day wait for second or subsequent treatment – surgery (accumulated figure)	94%	93.5%	Not Achieved
Cancer 31 day wait from diagnosis to first treatment (accumulated figure)	96%	90.8%	Not Achieved
Cancer 2 week (all cancers) (accumulated figure)	93%	96.3%	Achieved
Clostridium difficile due to lapses in care (accumulated figure)	0	0	Achieved
Never Events	0	1	Not Achieved
Incidence of MRSA bacterium	0	1	Not Achieved
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	62.0%	Not Achieved
Cancer 62 Day Waits for first treatment (from urgent GP referral) - post local breach re-allocation (accumulated figure)	85%	48.8%	Not Achieved
Maximum 6-week wait for diagnostic procedures	99%	72.37%	Not Achieved

Delivering high quality, timely and safe care are the key priorities for the organisation and there has been no doubt that the COVID-19 pandemic has presented unprecedented and significant challenges for the organisation in maintaining these standards. The unpredictable sickness absence related to COVID-19 on top of 'normal' absence has been the most significant factor affecting operational performance throughout the whole year.

From the outset of the pandemic, the Trust enacted business continuity measures in response to the major incident and was also placed into 'command and control' arrangement by NHS Improvement / England (NHSI/E). A key factor of this was the requirement to prioritise essential services and reduce or 'step down' other services. Areas that were prioritised were as follows:

- Neonates
- Maternity and Obstetrics
- Gynaecology Emergencies
- Gynaecology Cancer
- Termination of Pregnancy

- Theatres and Anaesthetics
- Pharmacy
- Essential corporate services including estates, security and facilities
- Risk and Governance

Other services that were reduced or stepped down:

- Fertility
- Routine Gynaecology outpatients and elective surgery
- Routine therapies
- Genetics
- Research and Development (further detail on this aspect included within the Quality Report)
- Non-essential corporate services

In addition to the need to reduce or step-down services, a priority clinical order was established for cancer services which took precedent over the mandated normal cancer rules. As per the national guidance, cancer multidisciplinary teams (MDTs) categorised all cancer surgical patients into one of the following priority levels.

- Priority level 1a
 - Emergency: operation needed within 24 hours to save life
- Priority level 1b
 - Urgent: operation needed with 72 hours
- Priority level 2
 - Elective surgery with the expectation of cure, prioritised according to:
 - within 4 weeks to save life/progression of disease beyond operability based on
 - urgency of symptoms
 - complications such as local compressive symptoms
 - biological priority (expected growth rate) of individual cancers
- Priority level 3
 - Elective surgery can be delayed for 10-12 weeks - will have no predicted negative outcome.

On the whole, throughout the pandemic, cancer performance levels were maintained at the levels seen in previous years. This was buoyed through the successful recruitment of consultants, increasing clinical capacity. Performance was also supported via the pilot use of a 'da Vinci X Robot', a piece of advanced technology

that allows the surgeon to perform robotic assisted surgery with impeccable precision. This surgery helped to shorten recovery time for Gynaecology patients as well as many other benefits. The Board subsequently approved a business case for the robot to be made permanent at the Trust. The 2-week performance remained strong and it is anticipated that this situation will not change into the early part of 2021/22. This is despite significant increases in referral numbers in the last quarter of 2020/21 compared to the same period last year (up to 126%), which was expected following a significant reduction in 2-week wait referrals earlier in the year. The oncology performance for 31-day Decision to Treat (DTT) remained good. Moving forward it is anticipated that the Trust will see a continuation of improved performance compared to the past 24 months in 31-day DTT target but face on-going challenges with our 62-day target due to COVID-19 priority 3 patient management.

For Referral to Treatment, including diagnostics, the Trust has worked hard to ensure that longest waiting patients are cared for appropriately to mitigate risk of harm where standards are not achieved, and we have worked productively throughout the year with commissioners and partners to effect improvements in performance. Eighteen week referral to treatment performance had managed a sustained level throughout the year, although the number of patients waiting 52 weeks started to increase towards the end of the year as the impact of stepping down and / or reduction of services started to be seen. A key focus for the Trust going into 2021/22 will be working across the local health system and with partners to reduce waiting times as we continue the recovery process.

Genetics and Fertility services also saw a decline in performance because of step-down and the Trust worked hard throughout the year to return these areas to pre COVID-19 performance levels by the end of 2020/21. Staff from the clinical services that were stepped down were used to support the nationally prioritised services listed earlier, in addition they supported COVID-19 related operational services such as swabbing and screening.

Neonatal Service performance remained consistent throughout the year as did maternity services despite some significant staffing challenges. Throughout 2020/21, the Trust has been working towards a target of 35% by March 2021 for the number of women on a Continuity of Carer maternity pathway. Progress against this target has been slower than anticipated, although significant progress was made from November 2020 onwards. The Trust's position at March 2021 was just under 25% for the quarter and the management of further roll out is being carefully managed during 2021/22 to ensure that patient safety and experience is not reduced.

In May 2020, the CSS division identified and reported a Never Event within Obstetric theatres pertaining to a retained swab. The division noted that the theatres department had a history of five Never Events within three years, some preceding the current CSS divisional structure and management teams in place. Consequently, the division undertook a deep dive backwards review of all Never Events, associated action plans and evidence to determine key themes. Following this review of all Never Events, the division produced a comprehensive Theatre Improvement Action Plan with the

purpose of addressing the identified themes, providing staff with development and education opportunities, to create a safety culture and environment of learning opportunities to provide assurance that these events will not happen again. The Theatre Improvement plan has now been completed and is monitored bi-annually to ensure the improvement plan is embedded.

Financial Performance

The Trust is reporting a deficit of £4.0m for the financial year, compared to a surplus of £0.3m in 2019/20.

	2020/21 £000's	2019/20 £000's
Income	130,500	116,012
Operating expenses	(132,297)	(113,751)
Financing and Public Dividend Capital	(2,195)	(1,989)
Retained (deficit) / surplus	(3,992)	272

The focus for 2020/21 has been dealing with the COVID-19 pandemic. The usual financial framework and rules were suspended, and a temporary financial regime put in place.

The Trust incurred expenditure in excess of £3.2m directly related to the pandemic – this included bank cover for staff who were absent through sickness or self-isolating and additional cleaning and infection control. In addition, £2.3m of Personal Protective Equipment was given to the Trust via central procurement by the Department of Health and Social Care and is reflected in both income and expenditure.

The Trust received fixed block income values for the year, along with a series of top ups. For the first half of 2020/21, all costs were matched by this top up but for the second half of the year the values were fixed and did not cover costs.

The Trust delivered an overall Use of Resources (UoR) rating of 3 as in 2019/20. The UoR rating measures a provider's financial sustainability, financial efficiency and financial controls. A breakdown of the Trust's UoR ratings is provided in section 3v Oversight Framework.

Capital expenditure in 2020/21 comprised of investment in the estate, medical equipment and Digital Services, as well as commencement of a major redevelopment on the Crown Street Site. The Trust was successful in being awarded £6.5m of Public Dividend Capital (£4.9m of which was drawn down in 2020/21) in order to acquire a surgical robot (which was purchased in 2020/21) and undertake estates works at the Crown Street site (which commenced in 2020/21 and will be completed in 2021/22). In addition, this funding will be used to put in place a Computerised Tomography (CT) scanner and Blood Bank in 2021/22. The Neonatal Redevelopment programme was

completed in 2020/21 and the unit is fully in use. The Trust's land and buildings were valued resulting in a £6.8m impairment to the revaluation reserve. This largely related to the cost of the neonatal building work being higher than the valuation of the new unit, as a result of necessary costs such as decanting which enabled the unit to stay open whilst the works were completed.

Capital expenditure	2020/21 £000s	2019/20 £000s
Buildings	3,452	10,889
Furniture and Fittings	152	1,166
Information Technology	1,869	3,122
Medical Equipment	4,314	2,446
Total	9,787	17,623

Despite the deficit position, due to strong cash reserves and management, the Trust did not require any revenue support during 2020/21 and ended the year close to its cash plan.

Significant movement has been made on aged debt with a number of longstanding debts cleared.

During 2020/21, the capital loan related to the Neonatal redevelopment was converted to Public Dividend Capital by the Department of Health and Social Care (£14.6m) and the remainder of the balance (£0.4m) funded via Public Dividend Capital. The only remaining borrowings that the Trust has is a capital loan of £5.5m, which has £2.1m still to pay.

Full details of the Trust's financial performance in 2020/21 can be found in the Annual Accounts section within this report.

Workforce

The Trust employed 1,589 people as at 31 March 2021 and we are delighted to report that we have an engaged and well-motivated workforce. The level of engagement was illustrated in the 55% response rate to the 2020 Staff Survey which resulted in broadly positive outcomes. Whilst the results were largely static, we did not see a decrease despite the challenging circumstances and we continue to focus on our culture change and staff experience programme to increase the number of staff who would recommend the Trust as a place to work from its current level of 66%.

The Trust is committed to proactive engagement and ensuring that staff are able to participate in development of the organisation. 'Listening Events' continue on a bi-monthly basis and staff and partners from all levels of the organisation are able to

participate in facilitated discussion on a range of key topics which enables two-way feedback at all levels. We have adopted a rapid improvement approach to these events to demonstrate a 'you said, we did' approach. Staff have been engaged in the development of the Trust Corporate Objectives and Clinical and Quality Strategy. Throughout the COVID-19 pandemic, the monthly Executive Briefing 'In the Loop' has gone virtual but Executive Directors continue to regularly visit departments for 'walkarounds' as well as undertaking shifts in clinical areas.

Investing in our people and leaders is a core component of our strategy. Our Shadow Board programme was completed successfully by senior managerial and clinical colleagues and was very positively evaluated, and the group continue to meet to provide peer support and action learning sets. We have launched our Leadership and Talent strategy and have introduced a PDR window for Band 7 and above to deliver succession planning into crucial ward manager and matron level roles. We have seen some decreases in mandatory training and PDR compliance levels through the pandemic, but the position is now recovering. We have undertaken an overhaul of our OLM/ESR recording processes and are now able to report on speciality specific local training across the Trust to provide additional assurance our staff have the skills to deliver excellent care.

Further information on a wide range of workforce-related activities can be found at section 3iii Staff Report.

Equality of Service Delivery

The Trust is committed to equality of opportunity for all groups. We know that the pandemic has had a disproportionate impact on people from black, Asian and minority ethnic backgrounds. And we know people from these groups can face discrimination and additional challenges in accessing healthcare and in employment. That's why targeting inequality is of paramount importance to us, both as a provider of healthcare and as an employer. We know eliminating discrimination can improve health outcomes and we are committed to delivering this.

Our commitment to equality was illustrated through the pandemic in a number of ways, here are four examples:

Supporting patients with a disability

At LWH we are committed to ensuring that disabled people have the same access to our services and the receive the same high standards of care. To achieve this, we have a duty to make reasonable adjustments.

Some recent example of how we have done this are as follows:

- Adapting methods of communication due to a hearing impairment
- Guidance on best practice when communicating with people who have a hearing impairment
- Use of face shields to support lip reading

- Unrestricted access to partner, who was competent in British Sign Language (BSL) to promote understanding
- Use of BSL interpreter for consent process

Ensuring unrestricted access to relatives and or carers to reduce anxiety for patients with learning disabilities, dementia, or mental health conditions.

- Access to relatives / carers at all stages of the patient journey has reduced anxiety for the patient and reduced incidents of conflict or challenging behaviour.

Adjusting the entire admission pathway to meet the needs of disabled patients

- Appointments created at specific times to accommodate the individual needs of the patient
- Pre-operative anaesthetic assessments have been completed virtually.
- The patient pathway adapted to support a seamless admission and transfer to theatre and discharge with minimal delay.

Supporting patients who do not speak English as a first language

Many women who attend the hospital whose first language is not English, including many asylum seekers and refugees. During the pandemic, all patients were asked questions about symptoms as they entered the hospital and had temperatures taken. It became apparent that ladies whose first language was not English were struggling with the new regime and did not have anybody with them to help with the language barrier.

The Trust decided to introduce picture cards so the woman could easily identify and point to any current symptoms. The Patient Experience Team worked with the Communications team and the picture cards were developed. This has reduced delays and queues at the main entrance and reduced distress and confusion amongst women, whilst ensuring infection prevention precautions are adhered to. The feedback from staff and patients has been very positive

Matron review for all patients with additional needs

To ensure that there is effective planning and communication regarding all patients with additional needs, any patient who may be identified as vulnerable, complex or at risk is reviewed in a timely manner by a senior nurse. This is also an opportunity for families to input into discussion about care. Such patients include:

- Patients with a learning disability/dementia
- Patients where there are safeguarding issues or general concerns
- Patient has a Deprivation of Liberty Safeguards in place
- Patient is aged 16-18 years of age.

Visiting times on the neonatal unit

During the COVID-19 pandemic visiting for parents of babies on the neonatal unit was protected compared to visiting in other areas of the hospital. However, certain restrictions upon visiting were imposed to protect patients and staff from COVID-19. Both parents could visit their babies once a day for an unlimited period of time. However, we identified an increased risk to the mental health of single mothers due to lack of support and isolation during what is already an extremely difficult time. A new approach was developed where single mums could nominate a support person This has ensured that there is no disparity in service provision or discrimination towards our service users whilst ensuring all staff and patients are safeguarded against transmission of COVID-19.

The Trust tracks patient feedback, such as complaints, in relation to ethnicity. This information can be found in the Trust's Complaints Annual Report. Further information on the Trust's responsiveness to personal needs of patients is detailed in the Quality Report in section 4.

Quality

Further information on the Trust's 2020/21 quality performance can be found in the Quality Report.

Corporate Objectives

Performance across all domains is driven by a series of Corporate Objectives agreed on an annual basis by the Board of Directors. Each Corporate Objective supports achievement of a Strategic Objective and progress in delivery was reviewed at three months and six months by the Board of Directors. The additional three-month review was put in place during the year to provide an additional opportunity to assess whether the agreed objectives remained realistic in the context of the COVID-19 pandemic. A total of 25 Corporate Objectives were identified for 2020/21 with outcomes for the year reported to the Board of Directors on 1 April 2021.

Key Issues and Risks

The Board of Directors has identified its strategic objectives and associated principal risks, and these are detailed in a Board Assurance Framework which is subject to regular monitoring and review by both the Board and the Board Committees. The Trust continuously reviews all potential significant risk exposures in the future and content of the Board Assurance Framework is updated where appropriate to ensure effective oversight of mitigating actions and controls. The Trust's approach to risk management and tolerance of risk is informed by a Risk Appetite Statement approved each year by the Board of Directors.

The principal risks to achievement of the Trust's strategic objectives included in the Board Assurance Framework in 2020/21 were:

The BAF risks throughout 2020/21 were as follows:

- ❖ The Trust is not financially sustainable beyond the current financial year
- ❖ Ineffective understanding and learning following significant events
- ❖ Staff are not engaged, motivated or effective in delivering the vision, values and aims of the Trust.
- ❖ Insufficient numbers of clinical staff resulting in a lack of capability to deliver safe care and effective outcomes.
- ❖ Inability to achieve and maintain regulatory compliance, performance and assurance.
- ❖ Location, size, layout and accessibility of current services do not provide for sustainable integrated care or safe and high-quality service provision.
- ❖ Major and sustained failure of essential IT systems due to a cyber-attack.
- ❖ The Trust's current clinical records system (paper and Electronic) are sub-optimal.
- ❖ There is a risk that the Trust will not deliver a breakeven position or have sufficient cash resources in the 2020/21 financial year.
- ❖ An 'umbrella' COVID-19 BAF risk was also drafted and following consideration by the Board's sub-committees in April 2020, it was approved by the Board in May 2020. It was agreed to develop a single BAF risk to provide a clear line-of-sight of the key risks, assurances and controls. The key risks the Trust identified related to; ensuring that 'business as usual' standards are retained, ensuring that robust recovery plans are in place and maintaining controls with regards to cyber-security and identifying fraud. Whilst an 'umbrella' BAF risk was agreed, there was acknowledgment that the COVID-19 pandemic would impact all Trust operations and therefore the interdependencies of risks across the whole BAF tracked throughout the year.

Further information on the Trust's risk management arrangements are detailed in the Annual Governance Statement 2020/21 which can be found in section 3vii of the report.

Strategy

Our previous Trust strategy ran from 2016 to 2020. In it we outlined our plans and ambitions for each of our services, as well as our plan to secure a safe and sustainable long-term future for women's and neonatal services in Liverpool. Strategy development is a continuous process at Liverpool Women's Hospital and as part of that process, in early 2020, we reflected on our success in delivering the previous strategy. We shared some of our achievements at our public board, which include:

- Improving safety and family experience through investing £15m in our fantastic new neonatal unit
- Building effective partnerships across Liverpool and beyond to deliver joined up care
- Using innovative technologies to improve the services we provide, such as our virtual reality tours which help patients become familiar with our hospital before they arrive.

While we successfully delivered most of our plans, unfortunately, we have not yet been able to deliver one key part; to build a new hospital to co-locate our services with other adult hospital services. This remains a key priority for us, and we will continue to work with our partners across Liverpool and Cheshire and Mersey to secure a safe and sustainable future for our services.

Our work in developing a new strategy paused in March 2020, as Liverpool Women's, alongside our health and care colleagues globally, turned its primary focus to dealing with the impact of the COVID-19 pandemic. The challenges faced by the NHS due to COVID-19 have been immense. The Trust has been protected somewhat from the challenges of COVID-19 but we have been here for our women and families throughout, delivering babies safely and providing care for all those who need it.

Once the peak of the first wave began to subside, we restarted our work on developing a new strategy, with some adaptations to our originally planned process in place. We recognised that this was a strange time to develop plans for the future, when we knew that future was (and still is) rapidly changing and when frontline services were focused on managing the impact of COVID-19. However, we also recognised that COVID-19 is not the only challenge we face; our services are still vital for our patients and we can't rest or pause when it comes to making sure they are the best they can be.

We carried out a desktop review, taking into account our previous achievements and the parts of the strategy not yet delivered, as well as the significant changes in the health and care landscape which took place between 2016 and 2020, and the national plans and strategies which had been published, including the NHS Long Term Plan. Based on this work, and some early engagement with staff and governors, we decided to refresh our previous strategy, keeping our existing Trust vision, aims and values in place.

We then commenced a period of broader engagement with our staff, patients, governors, members and wider community; asking people what they most valued about Liverpool Women's, what they thought our priorities for the future should be and where they thought we should focus our improvements. Over 100 people took part in this process, helping to shape our plans for the next five years.

We listened to what our staff, patients and wider community told us, and that, in conjunction with the expertise of our clinicians, understanding our role in delivering national, regional and local plans, as well as our work with our partners across

Liverpool and beyond, allowed us to develop our ambitions for our services as well as new strategic objectives. Our ambitions and objectives are structured around our existing Trust aims and values, and form the basis of our new plan for the next five years; **Our Strategy**.

The core focus of Our Strategy is making sure we have *the best people, giving the safest care, providing outstanding experiences*, and our core strategic objectives are outlined below:

People

- Be recognised as the most inclusive organisation in the NHS with Zero discrimination for staff and patients (zero complaints from patients, zero investigations)
- Recruit and retain key clinical staff

Safety

- Progress our plans to build a new hospital co-located with an adult acute site
- Develop our model of care to keep pace with developments and respond to a changing environment
- Implement all feasible mitigations to ensure services delivered from the Crown Street site are as safe as possible, developing our facilities for the benefit of our patients as well as those across the system

Experience

- Deliver an excellent patient and family experience to all our service users

Our Strategy is the next step in our journey to achieving our vision; *to be the recognised leader in healthcare for women, babies and their families*. We want to be the provider that sets the standards that others follow, and champions women's and family health in Liverpool, the North West region and across the country. We want to lead the way in shaping health and care services through the Integrated Care Systems that are being developed, making responsible corporate decisions with our partners to improve economic, environmental and social wellbeing across Liverpool and beyond.

Modern Slavery Act 2015

The Trust's Modern Slavery Act 2015 statement can be found on the following link: <https://www.liverpoolwomens.nhs.uk/media/3487/annual-statement-1920-slavery-act.pdf>

Going concern disclosure

The financial statements are prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the

entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case for the following reasons:

- In 2020/21 the Trust did not require any additional revenue support loans to support the cash position. The Trust is no longer in receipt of distressed financing.
- During 2020/21, the Trust's Neonatal Loans were extinguished per the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement's announcement on the 2nd April 2020 regarding reforms to the NHS cash regime. As a result of these reforms, during 2020/21 the Trusts' Neonatal Capital Loans of £14.6m were repaid to the DHSC and the Trust was issued with a corresponding £14.6m of Public Dividend Capital (PDC) to allow the repayment.
- In 2020/21 the Trust continued to repay the yearly £0.6m principal balance of its Capital ITFF loan in accordance with the payment terms.

The Trust's expectation is that services will continue to be provided from the existing hospital sites in the short term.

In addition to the matters referred to above, the Trust has not been informed by NHSI that there is any prospect of its dissolution within the next twelve months and it anticipates the continuation of the provision of services in the foreseeable future as evidenced by the inclusion of financial provision for those services in published documents and contracts for services with commissioners.



Kathryn Thomson
Chief Executive
10 June 2021

Accountability Report

3i(a) Directors' report

The Board of Directors

During the period 1 April 2020 to 31 March 2021, the following were members of the Board of Directors:

Non-Executive Directors

Robert Clarke	Chair
Tony Okotie	Non-Executive Director & Senior Independent Director (SID until September 2020)
Phil Huggon	Non-Executive Director
Jo Moore	Non-Executive Director & Vice Chair
Ian Knight	Non-Executive Director
Susan Milner	Non-Executive Director & Senior Independent Director (SID from September 2020)
Tracy Ellery	Non-Executive Director
Louise Kenny	Non-Executive Director

Executive Directors

Kathryn Thomson	Chief Executive	
Michelle Turner	Chief People Officer	
Jennifer Hannon	Director of Finance	
Caron Lappin	Director of Nursing & Midwifery	to 31 August 2020
Andrew Loughney	Medical Director & Deputy Chief Executive	to 31 December 2020
Gary Price	Chief Operating Officer	
Gaynor Thomason	Interim Director of Nursing & Midwifery – see note 1	to 12 November 2020
Janet Brennan	Acting Director of Nursing & Midwifery – see note 2	from 12 November 2020 to 31 December 2020
Marie Forshaw	Director of Nursing & Midwifery	from 1 January 2021
Lynn Greenhalgh	Medical Director	From 1 January 2021

Notes:

- (1) Gaynor Thomason, Interim Director of Nursing and Midwifery joined the Trust on 31 March 2020 to cover a period of unplanned absence for the Director of Nursing & Midwifery. The substantive post holder returned to the Trust for a short period from July 2020 ahead of leaving the Trust on 31 August 2020. The services of Gaynor were retained during this period until she departed the Trust on 12 November 2021
- (2) Janet Brennan (Deputy Director of Nursing & Midwifery), acted up to Director of Nursing & Midwifery until Marie Forshaw started at the Trust on 1 January 2021.

Directors' responsibility for preparing the financial statements

The Directors are responsible for preparing the Annual Report and Accounts and consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy.

Statement of disclosure to auditors

In accordance with the requirements of the Companies (Audit, Investigations and Community Enterprise) Act 2004, the Trust confirms that for each individual who was a Director at the time that the Director's Report was approved, that:

- ❖ so far as each of the Trust Directors is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- ❖ each Director has taken all steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

For the purposes of this declaration:

- ❖ relevant audit information means information needed by the Trust's auditor in connection with preparing their report; and
- ❖ that each Director has made such enquiries of his/her fellow Directors and taken such other steps (if any) for that purpose, as are required by his/her duty as a Director of the Trust to exercise reasonable care, skill and diligence.

Compliance with the Code of Governance

The Trust's response to this requirement can be found in Section 3iv, Disclosures set out in the NHS Foundation Trust Code of Governance.

The Code also requires the directors to make specified information available in the annual report, or to provide certain descriptions of governance arrangements. The annual report addresses these requirements, placing much of the information and appropriate statements in the content of the report.

Board meetings and attendance

The Board of Directors met on a total of 12 occasions during 2020/21. And the record of member attendance at both Board of Directors meetings and Committee meetings is included below. The Board also held full-day development workshops in June 2020, October 2020, January 2021 and March 2021.

	BOARD OF DIRECTORS	AUDIT COMMITTEE	QUALITY COMMITTEE	PUTTING PEOPLE FIRST COMMITTEE	FINANCE PERFORMANCE AND BUSINESS DEVELOPMENT COMMITTEE	CHARITABLE FUNDS COMMITTEE
Robert Clarke*	12 of 12					
Tony Okotie	9 of 12	2 of 2	8 of 8	2 of 2		3 of 4
Phil Huggon	12 of 12		5 of 5		10 of 11	4 of 4

Ian Knight	12 of 12	5 of 5	12 of 12		11 of 11	
Jo Moore	8 of 12			6 of 6	8 of 11	2 of 4
Susan Milner	11 of 12	3 of 3	12 of 12	6 of 6		
Tracy Ellery	10 of 12	5 of 5		4 of 4	9 of 11	
Louise Kenny	10 of 12		10 of 12			
Kathryn Thomson	12 of 12				9 of 11	
Jennifer Hannon	12 of 12		11 of 12		11 of 11	
Michelle Turner	12 of 12		9 of 12	5 of 6		3 of 4
Andrew Loughney (to 31 December 2020)	8 of 9		8 of 9			
Caron Lappin (to 31 August 2020)	0 of 1		1 of 5	0 of 2	1 of 4	0 of 1
Gary Price	11 of 12		11 of 12	5 of 6	10 of 11	
Gaynor Thomason (to 12 November 2020)	8 of 8		5 of 7	2 of 3	5 of 6	2 of 2
Janet Brennan (from 12 November 2020 to 31 December 2020)	1 of 1		1 of 2	1 of 1	2 of 2	1 of 1
Marie Forshaw (from 1 January 2021)	3 of 3		3 of 3	2 of 2	3 of 3	0 of 1
Lynn Greenhalgh (from 1 January 2021)	3 of 3		2 of 3			

* Robert Clarke, Chair, attends Board Committee meetings on an ad hoc basis. His attendance is not included in the table as he is not an actual member of any of the Committees.

How the Board operates

During the year under review, the Board comprised of eight independent non-executive directors, including the chair and senior independent director, and six executive directors, including the Chief Executive. The Trust is committed to having a diverse board in terms of gender and diversity of experience, skill, knowledge and background. The biographical details of the directors, together with details of the vice chair and senior independent director can be found in section 3i(c) Board of Directors pen portraits. All Board and Board Committee meetings held during the year were quorate. This was supported through the use of virtual meeting platforms in response to the COVID-19 pandemic. All decisions made by the Board and its Committees were approved unanimously and recorded appropriately.

The Non-Executive Directors bring a wealth of experience at Board level and complement the Executive Director representation on the Board in the provision of challenge and scrutiny on operational and strategic matters. Further details on the appointment of Executive and Non-Executive Directors can be found in section 3ii Remuneration Report.

The Board has a collective responsibility for setting the strategic direction for the Trust, and the effective stewardship of the Trust's affairs, ensuring compliance with its provider licence, constitution, mandatory guidance and contractual and statutory duties. The Board provides effective and proactive leadership of the Trust within a robust governance framework of clearly defined internal controls and risk management processes and approves the Trust's financial and operational plans, taking into

account the views of governors. The Board sets the Trust's vision, values and standards of conduct and behaviour, ensuring that its obligations to stakeholders, including patients and members are met; ensures the quality and safety of services, research and education and application of clinical governance standards including those set by NHSI, the Care Quality Commission, NHS Resolution and other relevant bodies. The Board has a formal schedule of matters reserved for Board decisions; these are included in the Trust's scheme of reservation and delegation.

The unitary nature of the Board means that Non-Executive Directors and Executive Directors have equal responsibility to challenge Board decisions and for development of Trust operations and strategy. The Board delegates operational management and the execution of strategy to the Executive Team and has established an integrated governance committee structure to provide it with assurances that it is discharging its responsibilities.

All directors have full and timely access to relevant information to enable them to discharge their responsibilities and during 2020/21 the Trust continued to utilise an electronic system, Virtual Boardroom, for the production and circulation of Board packs. This was supplemented using Microsoft Teams to share relevant documentation and to communicate on key issues. At each of its meetings the Board reviews the Trust's key performance information, including reports on quality and safety, patient experience and care, operational activity, financial analyses, and strategic matters. The proceedings at all Board and committee meetings are documented through a process that allows any director's concerns to be recorded in the minutes and assurances provided. The Board meetings are held in public and associated papers are published on the Trust's website in advance of meetings.

Directors can seek individual professional advice or training at the Trust's expense in the furtherance of their duties. The directors and governors have direct access to advice from the Trust Secretary who ensures that procedures for Board meetings, Council of Governors meetings and Committee meetings are followed and that arrangements are compliant with any applicable regulations.

Balance, completeness and appropriateness

There is a clear division of responsibilities between the Chair and Chief Executive, which has been agreed by both parties and the Board. Further clarity on this division has been provided through the adoption of the Board Terms of Reference in May 2020 (reviewed again in April 2021). The Chair is responsible for leadership of both the Board of Directors and the Council of Governors, ensuring their effectiveness individually, collectively and mutually. The Chair is also responsible for ensuring that members of the Board and Council receive accurate, timely and clear information appropriate for their respective duties and for effective communication with patients, members, clients, staff and other stakeholders. It is the Chair's role to facilitate the effective contribution of all directors and ensuring that constructive relationships exist between the Board and the Council of Governors. The Chief Executive is responsible for the performance of the Executive Directors, the day to day management of the

Trust and the implementation and delivery of the Trust's approved strategy and policies.

In accordance with the requirements of the NHS Foundation Trust Code of Governance, all our Non-Executive Directors, including the Chair, are considered to be independent. The biographical details set out in section 3i(c) Board of Directors pen portraits, demonstrate the wide range of skills and experience that they bring to the Board and each of our Non-Executive Directors have signed a letter of appointment to formalise their terms of appointment. The Non-Executive Directors also complete a certification of continuing independence on an annual basis.

Performance evaluation of the Board, its Committees and individual Directors is undertaken in a number of ways including; annual review of its work plan; annual review of Committee Terms of Reference and annual reports detailing achievements during the year from each of its Committees. At the conclusion of each meeting the Board and its Committees assess the effectiveness of the meeting.

The Board believes that its members have a good balance of skills, experience and length of service, but also recognises the value of effective and timely succession planning. All Directors participate in an annual appraisal process which includes evaluation of their performance against objectives agreed at the beginning of each year. The Chair appraises all Non-Executive Directors and the Senior Independent Director appraises the Chair, taking into account the views of other Board members, members of the Council of Governors and external stakeholders (e.g. Chair's from system partners) as part of this process. The outcomes from appraisals of the Chair and Non-Executive Directors are reported to the Council of Governors. The Chief Executive appraises Executive Directors and the Chair appraises the Chief Executive. A report on outcomes of these appraisals is presented to the Nomination and Remuneration Committee of the Board of Directors.

The Chair's other significant commitments, and those of other Directors, are detailed in section 3i(c) Board of Directors pen portraits and are recorded in the Board of Directors' Register of Interests. Members of the public can find the register of interests at www.liverpoolwomens.nhs.uk.

Directors can be contacted by email via the 'contact' link on the Trust's website at [www.liverpoolwomens.nhs.uk/Contact Us/](http://www.liverpoolwomens.nhs.uk/Contact_Us/) or via the Trust Secretary.

Understanding the views of the governors, members and the public

The Board recognises the value and importance of effective engagement with Governors to ensure that Governors are able to properly fulfil their role as a conduit between the Board and the Trust's members, the public and other stakeholders.

The Board of Directors and Council of Governors enjoy a good working relationship and each body is kept advised of the other's progress through the Chair. The agenda for both Board of Directors and Council of Governors meetings includes a standing item for the Chair to share any views or issues raised by directors, governors and

members. Members of the Board routinely attend both Council of Governors meetings and the Council's Group meetings (see section 3i(d) for more information).

Members of the Council of Governors have access to Board meeting agendas and papers and, along with other members of the public, are welcome to attend and observe meetings of the Board held in public in order to gain an understanding and appreciation of the business being conducted by the Board of Directors. Governors are encouraged to attend the Board meetings in order to observe the participation of the Non-Executive Directors in their scrutiny and challenge of reports presented by the Executive Directors. This helps the governors to discharge their duty of holding the Non-Executive Directors to account, individually and collectively, for the performance of the Board. As Board meetings have been held virtually due to the pandemic, Governors were facilitated in attending by being able to access the on-line meeting platform to observe proceedings.

Non-Executive Directors attend Council of Governor meetings and Governor Group meetings where they report on matters discussed by the Board of Directors and Board Committees and explain how they have obtained assurance on specific matters. This provides Governors with the opportunity to put questions to Non-Executive Directors and seek clarification on any matters that may have arisen at Board or Board Committee meetings.

Register of interests

A register of significant interests of directors and governors which may conflict with their responsibilities is available from the Trust Secretary and on our internet site www.liverpoolwomens.nhs.uk.

Board committees

The Board has three statutory committees: the Charitable Funds Committee and the Audit Committee, both chaired by an independent Non-Executive Director; and the Nominations and Remuneration Committee, chaired by the Trust Chair. There are three additional committees; the Quality Committee; Putting People First Committee; and Finance Performance and Business Development Committee. Each works closely with the Audit Committee but report directly to the Board by way of Committee Chair reporting. Urgent matters are escalated by the Committee Chair to the Board through the Chairs Reports as deemed appropriate. During the year, a 'Chair's Log' process was implemented which formalised the delegation of actions between Committees and the Board. Each Committee is chaired by an independent Non-Executive Director with exception of the Nominations and Remuneration Committee which is chaired by the Trust Chair.

Further details on the work of the Committees can be found at:

- Audit Committee - section 3i(b);
- Nominations Committee and Remuneration Committee - section 3ii Remuneration report;

- Quality committee, the Putting People First committee and the Finance Performance and Business Development committee - section 3vii Annual Governance Statement.
- Annual Governance Statement – includes a reference regarding how the impact of the COVID-19 pandemic was managed at Board Committee level.

NHS Improvement's well-led framework

NHS Improvement published its Well-Led Framework in June 2017. The Framework provides a means for trusts to undertake developmental reviews to assess their arrangements for effective leadership and governance. The Framework is based on eight Key Lines of Enquiry (KLOE), consistent with those used by the Care Quality Commission for inspection purposes, and outcomes of periodic reviews inform the content of Board-owned development plans to enhance practice, as appropriate, across the range of KLOE subject areas. There is an expectation that trusts will undertake annual development review activities, with the scope determined by the Board of Directors, with an independent external validation being undertaken every three years.

The Trust had planned to undertake an external review towards the end of 2019/20, in accordance with the three-year cycle, and noted this intention in the Code of Governance section of the 2018/19 Annual Report. However, this plan was changed, primarily because of notification that the Trust would be subject to a Well-Led inspection by the Care Quality Commission, which was subsequently completed in January 2020.

The Board of Directors agreed an alternative approach based on completion of a comprehensive self-assessment against all elements of each of the eight KLOEs, with outcomes to be consolidated with any relevant outcomes from the CQC inspection to form a comprehensive Board-owned Well-Led development plan. The Trust's self-assessment was undertaken during the period January - March 2020 and outcomes were subsequently adopted by the Board in April 2020. The Board actively monitored progress against the resulting development plan and an external review was commissioned during the year, commencing in January 2021 by Grant Thornton. Grant Thornton were appointed following a tender exercise and are fully independent from the Trust. Feedback was provided to a Board development session in April 2021 and the final report will be considered in July 2021.

The independent review confirmed that there were no material governance concerns and several areas of good practice were noted, particularly:

- The Trust is focussed on quality and sustainability and this features in meetings throughout the levels of the organisation
- The data and information available to Divisions is of good quality and used to guide operational performance conversations at Divisional meetings and performance reviews, providing a 'golden thread' between Divisions and the Board

- The Trust has many examples of how it has worked extensively with its partners on the delivery of its services

Some areas for further work and opportunities for improvement were also highlighted, which the Board of Directors has acknowledged, and these are the subject of an Action Plan which will be progressed throughout 2021/22. Examples include:

- Ensuring that best practice is shared between the respective Divisions to work towards a maturity level parity.
- The need to ensure that a documented Quality Improvement Methodology is in place
- Learning from serious incidents is an area that requires strengthening.

There are no material inconsistencies between the Annual Governance Statement, the Corporate Governance Statement, and the Annual Report.

Care Quality Commission

Liverpool Women's NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is "registered without conditions".

During December 2019 and January 2020, the Trust was formally inspected under the CQC Inspection framework, with the final report published by the CQC on 23 April 2020. The Trust was pleased to announce that it had been given an overall rating of 'good'.

The core services inspection carried out in December 2019 resulted in a Warning Notice being issued by the CQC in relation to identified weaknesses in Medicines Management arrangements. The Trust submitted a detailed response to the CQC within the required timescale outlining the immediate and subsequent actions taken to address those failings together with detail of how ongoing assurance would be tested. The Warning Notice was lifted in September 2020 and further detail on this can be found in the Annual Governance Statement.

Better payment practice code

The Better Payment Practice Code requires that 95% of undisputed invoices relating to trade creditors are paid within 30 days of receipt. The Trust's performance during 2020/21 and 2019/20 is shown below:

	2020/21	2020/21	2019/20	2019/20
Description	Number	Value in £000's	Number	Value in £000's
Non-NHS				
Total Non-NHS bills paid in the year	13,224	53,279	15,487	57,933
Total Non-NHS bills paid within target	10,747	47,317	11,755	52,002
Percentage of Non-NHS bills paid within target	81%	89%	76%	90%
NHS				

Total NHS bills paid in the year	1,475	29,467	1,499	28,155
Total NHS bills paid within target	619	24,412	497	21,952
Percentage of NHS bills paid within target	42%	83%	33%	78%
Total				
Total bills paid in the year	14,699	82,746	16,986	86,088
Total bills paid within target	11,366	71,730	12,252	73,954
Percentage of Total bills paid within target	77%	87%	72%	86%

No interest was paid to suppliers under the Late Payments of Commercial Debts (Interest) Act 1998.

Cost Allocation and Charging Guidance issued by HM Treasury

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

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

During the year Liverpool Women's NHS Foundation Trust generated income due to the provision of private patient services in fertility services. The income received from this source in 2020/21 was £3,028k (2019/20, £3,306k) which was 2.3% (2019/20, 2.9%) of all Trust income.

This satisfies the requirements of Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) where the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes.

Any profits arising from the provision of private patient services are reinvested into patient care at the hospital. The directors consider that the income received otherwise than from the provision of goods and services for the purposes of the health service in England has not had an impact on the provision of goods and services for those purposes.

Emergency preparedness, resilience, and response (EPRR)

The Trust has a duty under the Civil Contingencies Act 2004 to prepare for emergency and business continuity incidents and to ensure the capability to provide an effective response to emergency situations.

The Chief Operating Officer is the designated EPRR Accountable Emergency Officer and holds responsibility for ensuring the organisation is prepared for emergencies, remains resilient and provides an effective incident response.

The Trust has a portfolio of emergency and business continuity plans in place and lessons learned from emergency and business continuity incidents and exercises are shared across the organisation and with healthcare partners to inform planning processes.

The Trust Incident Control Centre (ICC) has been operational throughout the COVID-19 incident response with a virtual approach. The Trust response was aligned to national and regional directives and guidance and was led by the Trust command and control structures. NHSE/I national and regional fora aimed to support the local response by facilitation of information sharing, interpretation of guidance and benchmarking.

In October 2020 the Trust was required by NHS England to self-assess compliance against a range of criteria. The Trust achieved substantial compliance within this process. EPRR work programmes continue to ensure this standard is maintained and to implement continuing improvements.

2020/21 was the greatest test of NHS resilience and Emergency Planning. The Trust response to the pandemic should be commended as we were able to maintain our essential services in unprecedented times whilst also offering mutual aid across Cheshire and Mersey to other Trusts.

Local Security Management Specialist

The overall objective of the Trust's Local Security Management Specialist is to deliver an environment that is safe and secure so that the highest standards of clinical care can be made available to patients. This is achieved by providing a security management service for the Trust, continuing to work towards the creation of a pro-security culture and ensuring security activity in respect of NHS Protect's four key areas. These are Strategic Governance, Inform and Involve, Prevent and Deter and Hold to Account. The Trust self-assessed itself as 'green' against all areas except for 'Prevent and Deter' which was given an 'amber' assessment. This was in recognition of additional work that is required to improve compliance against lone worker risk assessments. This will be an area of focus in 2021/22.

Countering fraud and corruption

The Trust is committed to countering fraud and corruption. It engaged the services of a registered counter fraud specialist and is compliant with the requirements of the counter fraud manual. The Trust fully cooperates with NHS Counter Fraud Authority and responds to the national proactive reviews. The Trust's work in respect of countering fraud and corruption is overseen by the Audit Committee.

There is clear strategic support for anti-fraud and bribery work at the Trust. The Mersey Internal Audit Local Counter Fraud Service is actively supported by the Director of Finance and the Audit Committee. A counter fraud work plan is agreed with the Director of Finance at the start of each year and provided to the Audit Committee for approval. The work plan outlines the core activities to be undertaken during the financial year and allocates resource against each NHS Counter Fraud Authority standard for providers which enable all activities to be delivered. Counter fraud policies are set out in the Trust's Standing Financial Instructions which form a part of our corporate governance manual, reviewed annually. The Trust also has in place a whistle-blowing policy. The Trust's accountable officer for fraud is the Director of Finance and the Deputy Director of Finance is the nominated Fraud Champion. This

is a new role initiated during the year by the NHS Counter Fraud Authority that involves:

- Promoting awareness of fraud, bribery and corruption within the organisation
- Understanding the threat posed by fraud, bribery and corruption and,
- Understanding best practice on counter fraud.

Consultations

No formal public consultations in respect of proposed changes to the Trust's services were carried out during the year but plans continue in respect of consulting our patients, staff and stakeholders in respect of the proposed future strategic direction for women's health services.

Additional reporting information

Additional information or statements which fall into other sections within the annual report and accounts are signposted below:

- ❖ The Trust has not made any political donations during the year
- ❖ A statement on accounting policies for pensions and other retirement benefits are set out in note 9 to the accounts and details of senior employees' remuneration can be found in the section 3ii Remuneration Report.
- ❖ Trust policies on employment and training of disabled persons can be found in the Staff Report section 3iii.
- ❖ Details of sickness absence data can be found in the Staff Report section 3iii.
- ❖ Details of the Trust's approach to communications with its employees can be found in the Staff Report section 3iii.
- ❖ Details of the Trust's financial risk management objectives and policies and exposure to price, credit, liquidity and cash flow risk can be found in note 27 of the annual accounts.

Withdrawal of the United Kingdom from the European Union (BREXIT)


The Director of Finance is the designated Senior Responsible Officer (SRO) for EU Exit. The EPRR service supported EU Exit preparations and assurance including monitoring via the existing Trust command and control arrangements. National preparations for the end of the EU Exit transition period were stepped-up from October 2020 with reintroduction of NHS reporting arrangements and delivery of national webinars. The Trust conducted a review of actions and compliance across the seven key areas. NHSE/I webinars were attended by Trust leads and situation reports were submitted as required with positive responses to all enquiries.

Related Party Transactions

The Trust has a number of significant contractual relationships with other NHS organisations which are essential to its business. A list of the organisations with which the Trust holds the largest contracts is included in note 30 to the accounts.

Appointment of External Auditors

External Audit services were provided throughout 2020/21 by KPMG LLP following appointment as the Trust's External Audit provider by the Council of Governors at its meeting on 30 July 2020 in which the optional extension of two years (2020/21 and 2021/22) was approved.

A handwritten signature in cursive script that reads "Kathryn Thomson".**Kathryn Thomson**

Chief Executive

10 June 2021

3i(b) Audit Committee report

The Audit Committee comprises solely of independent Non-Executive Directors. The Chair of the Committee was Tracy Ellery. The other members of the committee during the year under review were Ian Knight, Tony Okotie (until September 2020) and Susan Milner (from September 2020). Attendance at meetings held during is shown in 3i(a) Directors Report. Both Ian Knight and Tracy Ellery have recent and relevant financial experience in accordance with NHSI's Code of Governance (provision C3.1).

The Director of Finance, Deputy Director of Finance, Trust Secretary, Financial Controller and external and internal auditors are usually in attendance at meetings of the Committee. Executive directors and other managers are required to attend for specific items, as is the local counter fraud specialist.

The Committee is responsible on behalf of the Board of Directors for independently reviewing the Trust's systems of governance, control, risk management and assurance. The Committee's activities cover the whole of the organisation's governance agenda, and not just finance. The Committee also has a duty to monitor the integrity of the financial statements and related reporting. The latest Terms of Reference for the Committee were approved by the Board in April 2021 and are available on request from the Trust Secretary.

The Committee has reviewed relevant disclosure statements for 2020/21, in particular the annual governance statement, internal audit board assurance framework opinion which when combined together with receipt of the head of internal audit opinion, external audit opinion and other appropriate independent assurances provides assurances on the Trust's internal control and risk management processes.

Action plans in response to limited and moderate assurance audits were overseen by the Committee with independent assurance provided by follow up by internal audit. The above audits identified weaknesses in design and/or operation of control with no significant internal control issues or gaps in control identified. Action plans have been prepared in respect of the above audits.

With regards to discussion of key matters, during the year the Committee has:

- Reviewed amendments to the Trust's Corporate Governance Manual
- Received a report which detailed the range of governance processes in place to provide assurance on the effectiveness of internal control arrangements.
- Reviewed governance arrangements in response to the COVID-19 pandemic
- Considered the Clinical Audit Annual Report and Forward Plan
- Received a report which detailed outcomes from a comprehensive Committee Effectiveness Review which was undertaken by the internal auditors.
- Received assurance regarding the management of donations received by the Trust during the pandemic
- Received a report seeking approval for the write-off of aged debt. The Committee was assured on the reasons why the various debts were deemed to be unrecoverable and approved the write-off.
- Received a report on the Trust's approach to managing conflicts of interest.

- Sought assurance regarding the Trust's processes for managing external inspections and accreditations
- Received presentations from two divisions regarding the work being undertaken to enhance the maturity of their governance arrangements

At the January 2021 meeting, the Committee received a report from the external auditor on the external audit plan for the annual report and accounts 2020/21. This included an analysis of the external auditor's assessment of significant audit risks (valuation of land and buildings and fraudulent expenditure recognition), the proposed audit strategy, audit and reporting timetable and other matters. The Committee discussed and approved the proposed plan recognising that the approach would be responsive to the many changes affecting the Trust.

The Committee approved a policy for the provision of non-audit services by the external auditor, in recognition of the need to safeguard auditor objectivity and independence. During 2020/21, the external auditor, KPMG, had not been engaged in any non-audit activity.

The Committee reviewed the accounting policies and annual financial statements prior to submission to the Board and considered these to be accurate. It has ensured that all external audit recommendations had been addressed.

The going concern statement was presented to Audit Committee at the Committee meeting on 10 June 2021 where it was discussed and approved for recommendation to the Board of Directors.

Internal Audit

Internal Audit Services, which include an Anti-Fraud service, have been provided by Mersey Internal Audit Agency (MIAA) during 2020/21. The main purpose of the Internal Audit Service is:

- To provide an independent and objective opinion to the Accountable Officer, the Board and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives; and
- The provision of an independent and objective consultancy service specifically to assist the Trust's management to improve the organisation's risk management, control and governance arrangements.

MIAA deliver a risk-assessed audit plan, which is approved each year by the Audit Committee. This is delivered by appropriately qualified and trained Internal Auditors led by a nominated Audit Manager. Owing to the pandemic, the 2020/21 Internal Audit Plan was re-ordered to enable more 'desk-based' audits to take place during periods of lockdown. Nevertheless, the plan in its entirety was delivered (taking into account approved plan variations e.g. Ward Based Quality Spot Check deferred to 2021/22). This position has been reported within the progress reports across the financial year. The total cost for the service during 2020/21 was £67,076 (£54,300 related to Internal Audit and £12,776 to Counter Fraud).

Countering Fraud and Corruption

Counter Fraud services are provided by MIAA. The Trust's Anti-Fraud Specialist (AFS) regularly attends the Committee to update on anti-fraud activity, ongoing cases and progress against the work plan agreed by the Committee. The Anti-Fraud Services Annual Report was considered by the Committee in June 2021. The annual declaration which was based on the self-assessment of compliance against the Protect Standards was considered with overall performance assessed as 'green'. This indicates a high level of compliance with the specified standards with areas for improvement relating to ensuring staff awareness of fraud prevention policy guidance.

External Audit

External Audit services were provided throughout 2020/21 by KPMG LLP following appointment as the Trust's External Audit provider by the Council of Governors at its meeting on 30 July 2020 in which the optional extension of two years (2020/21 and 2021/22) was approved. No issues regarding the performance of KPMG LLP were highlighted to the Council of Governors in the recommendation from the Audit Committee. This recommendation was formed following deliberation by Audit Committee members with support from the Director of Finance and Trust Secretary. The fees for the 2020/21 annual audit were £78,000 plus VAT. The Audit Committee and Council of Governors were satisfied that this increase from the 2019/20 fee (£56,750 plus VAT) was commensurate with fee increases across the NHS.

Work planned for 2021/22

During the COVID-19 response, there has been an increased collaboration between organisations as they have come together to develop new ways of delivering services safely and to coordinate their responses to the pandemic. This focus on collaboration will continue as the NHS progresses on its journey towards integrated care systems. The Committee will have a key role to play in understanding how increased integration will impact on the Trust's governance and internal control systems.

Whilst the Committee has begun to seek assurance on the maturity of governance structures and processes within each Division, this will continue to be an area of focus during 2021/22.

3i(c) Board of directors - pen portraits

Non-Executive Directors

Robert Clarke – Chair

Robert joined the Board of Liverpool Women's in March 2016. He has a wide range of Board experience having spent seven years as a non-executive Director at Lancashire Teaching Hospital NHS Foundation Trust, where he held a number of positions culminating in the role of vice chairman.

Robert is the managing partner of a family dairy farm and has also had experience of a small start-up business, collecting agricultural plastics for recycling, through to large National businesses in the agricultural cooperative sector. He has held directorate roles at Zenith Milk Ltd, the Royal Association of British Dairy Farmers and Dairy Farmers of Britain Ltd in addition to his NHS roles.

Tony Okotie – Non-Executive Director & Senior Independent Director

Tony joined the Board of Liverpool Women's in July 2015. He has a wide-ranging background, having worked in retail banking and then the regional newspaper business before changing direction in 2002 to work in the voluntary sector, undertaking a variety of roles. He was Chief Executive of Liverpool Charity and Voluntary Service until December 2016 and is now currently working for BBC Children in Need. Prior to his appointment at Liverpool Women's, Tony was a Non-Executive Director and Vice-Chair with Derbyshire Community Health Services NHS Trust, one of the first Community Foundation Trusts in the country. Tony has a BSc in Social Policy, an MSc in Voluntary Sector Management and is a qualified coach.

Jo Moore - Non-Executive Director & Vice Chair

Jo joined the Board of Liverpool Women's in April 2016 and appointed vice chair in 2018. She is a qualified FCMA and has a breadth of experience within Finance and Change Management. Jo has previously held senior level roles within the financial services sector, including Global CFO (technology & operations) at JPMorgan and COO for a Hedge Fund. Jo is currently Managing Partner at Optimus 5, which is a consulting firm specialising in transformation, regulation and remediation. She also works with a number of local organisations dedicated to improving the lives of children, these include AYFA sports and the Rotund charity. Jo is a qualified executive coach and a Lean Reengineering Master Black Belt.

Ian Knight - Non-Executive Director

Ian joined the Board of Liverpool Women's in April 2016. He had a career as a finance professional from 1974 to 2001, working for nationalised industries, Slough Estates, Nicholas Kiwi, Sara Lee Corporation and finally as Group Treasurer of Yorkshire Water. In 2001 he retired from full time employment and became a non-executive director, starting with QDS, a privately-owned UK company, and then with Mouchel and Morson (both UK PLCs).

Ian has a BA (Hon) in Business Studies and was a Member and subsequently a Fellow of the Association of Corporate Treasurers.

Last year Ian became a trustee for the Kelda Group Pension Plan and for Nell Bank, an outdoor education and activities charity. He also undertakes voluntary work with his local Methodist Church, and with two local amateur dramatic societies, acting as treasurer and chief fund raiser for all three organisations.

Phillip Huggon - Non-Executive Director (to 31 March 2021)

Phil joined the Board of Liverpool Women's in April 2016. He previously served as a Non-Executive Director of Alder Hey Children's Hospital NHS Foundation Trust for 6 years and has several non-executive and trustee roles in the private and public sector, with a particular focus on marketing and transformation. His Board roles include the Agricultural and Horticultural Development Board, a non-departmental public body set up to promote the farming industry, the Business Continuity Institute, Sports Leaders UK, the English Table-Tennis Association and he also chairs RCU, an education consultancy. Phil is Chair for the NHS Transformation Unit in Manchester and is Vice-Chair of the Healthwatch England Committee. His background is mostly marketing, strategy and change management from 20 years' experience with Shell, MARS and BP, both in the UK and overseas.

Dr Susan Milner - Non-Executive Director

Susan joined the Board of Liverpool Women's in June 2016. She has held senior roles in the NHS, academia and local government for the past 20 years. She lives in Liverpool and has worked within commissioning of health services in Liverpool & Halton. Susan continues to work within public health undertaking interim work as Director of Public Health (DPH) in a number of high-profile Local Authority Councils. Whilst working at Liverpool PCT, Susan had responsibility for commissioning services for women and babies.

Susan is a trained nurse and a registered public health specialist and demonstrates a breadth and depth of experience which has taken her from dealing with individual patients in a hospital ward to a population-wide strategic leadership role across the health and social care economy.

Prof Louise Kenny – Non-Executive Director

Louise joined the board of Liverpool Women's on 1 March 2019 Louise is the Pro Vice Chancellor of the Faculty of Health and Life Sciences at the University of Liverpool; Professor of Maternal and Foetal Health. She is a Founding Director of the Science Foundation Ireland (SFI) funded Irish Centre for Foetal and Neonatal Translational Research and was until December 2017 Professor of Obstetrics and Gynaecology at Cork University Maternity Hospital where she worked as a Consultant Obstetrician and Gynaecologist from 2006-2018.

Louise has a longstanding clinical and research interest in hypertensive disorders of pregnancy. Her research group is supported by more than €30 million of peer reviewed funding and has resulted in >200 peer reviewed original papers, reviews and book chapters. She has received numerous awards for her work, most recently the prestigious title of Researcher of the Year by SFI (2015) and 2015 Irish Tatler magazine Woman of the Year Award for STEM.

Tracy Ellery

Tracy joined the board of Liverpool Women's on 1 March 2019 from the North West Ambulance Service (NWAS) where she retired as Director of Finance on 31 January 2019. In addition to Finance her remit at NWAS covered responsibility for Patient Transport Services, Fleet, Estates, IT, Procurement and Contracting.

Tracy began her NHS career in 1982 in East Cheshire and is a professionally qualified accountant (FCCA) with a business degree. Her previous roles included being Deputy Chief Executive/Director of Finance at Manchester Mental Health and Social Care Trust, a post she held for 10 years. She brings over 16 years' experience at Board level and has been a Director of Finance in five NHS organisations spanning mental health, learning disabilities, community, primary care, commissioning and acute organisations.

Executive Directors

Kathryn Thomson MCIPD – Chief Executive

Kathryn joined the board of Liverpool Women's in September 2008 from the University Hospital of South Manchester NHS Foundation Trust (UHSM), where she was an Executive Director for six years. During that time, she supported the Trust through a major financial and performance recovery plan and subsequent achievement of Foundation Trust status. UHSM had a substantial service and research portfolio and investments were made in significantly improving both services and research in a number of areas including the Medicines Evaluation Unit and breast cancer, through alignment into the state of the art Genesis Centre and investment in a Cardiac Centre including the North West Heart Transplant Centre.

Kathryn's professional background is Human Resources and Organisational Development and she continues to maintain a focus in these areas. For some years she chaired the Cheshire and Merseyside Local Workforce and Education Group, and she is a Board member of Liverpool Health Partners. Kathryn is the Senior Responsible Officer for the Cheshire and Mersey for the Local Maternity System.

Michelle Turner MCIPD – Chief People Officer

Michelle joined the board of Liverpool Women's in April 2010. Committed to creating great places to work, Michelle is responsible for ensuring the Trust has a competent, engaged and truly motivated workforce focused on delivering the best possible patient experience. She is also responsible for the Trust's communications and marketing functions.

A member of the Chartered Institute of Personnel and Development, Michelle has a long a varied NHS career, working in patient-facing roles early in her career and undertaking senior human resources roles more recently.

Jennifer Hannon BA (Hons) FCA – Director of Finance

Jenny first joined Liverpool Women's in 2012, and after a short spell at NHS England, returned to the Trust in 2014 as Deputy Director of Finance. She joined the Board of Directors in October 2017, undertaking the role of Director of Strategy and Planning

on an interim basis, before taking up the post of Director of Finance in February 2018. Jenny trained with professional services firm EY and is a Chartered Accountant and Fellow of the Institute of Chartered Accountants in England and Wales. She has held a number of senior finance roles across a range of organisations and has long standing ties with Liverpool as well as experience of working on national and international projects.

Gary Price – Chief Operating Officer

Gary joined the Trust in 2019. His role is to support our clinical teams to deliver the best possible care for our patients and improve performance. Gary has worked in the NHS for over 20 years. He has held senior management roles working across all areas of healthcare including Primary, Community, Mental Health, Secondary and Tertiary Care.

He began his career as a clinician at Alder Hey Children's Hospital where he also went on to manage Emergency, Community and General Medicine. He has had significant experience managing across Women's and Neonatal services.

Dr Lynn Greenhalgh – Medical Director (from 1 January 2021)

Lynn first joined Liverpool Women's in October 2002 as a Consultant Clinical Geneticist and joined the Board of Directors in January 2021. She has held various leadership positions within the Trust including being Clinical Director of the Cheshire and Merseyside Regional Genetics Service. Prior to joining the Trust Board, Lynn was appointed as the Medical Director of the North West Genomics Laboratory Hub which is hosted by Manchester Foundation Trust and provides genomics services for the North West.

Lynn trained as a doctor at St Bartholomew's Medical College in London and completed junior doctor jobs in the Midlands, North West and London. After completing a master's degree in Clinical Genetics at Great Ormond Street Hospital she moved to Bristol to complete her specialist training in Clinical Genetics.

Marie Forshaw – Director of Nursing & Midwifery (from 1 January 2021)

Marie joined the Board of Liverpool Women's in January 2021 as Director of Nursing and Midwifery. Marie is a registered general nurse, midwife, and health visitor.

Marie has a master's degree in General Practice, specialising in community, commissioning organisations, integrated organisations, acute, community and specialist trusts. Marie is driven to providing high quality, safe and effective services, where patients and service users have a positive experience. Marie is committed to leading the midwives, nurses and AHP workforce to be the best that they can be.

Dr Andrew Loughney - Medical Director & Deputy Chief Executive (to 31 December 2020)

Andrew joined the board of Liverpool Women's in April 2016 as Medical Director and was appointed Deputy Chief Executive from February 2018. Andrew was born and raised in Liverpool. His medical degree was awarded at Newcastle University in 1989 and he has been practising in Obstetrics and Gynaecology in the north east of England since 1990. His first Consultant post was at Newcastle upon Tyne where he was lead clinician for the delivery suite between 2000 and 2008 and practiced in maternal medicine up until 2012. He then moved to Sunderland where he continued as a

Consultant in the specialty but was also appointed Associate Medical Director for Clinical Governance, with a remit to improve safety across all specialties in the Trust.

Andrew has a PhD in cellular and molecular biology and has maintained a positive interest in academic and clinical research throughout his career. His focus has been on clinical practice and the promotion of good clinical governance. His contributions in this respect have included chairing the Topic Expert Group for production of Antenatal Care Quality Standards at NICE, sitting on Topic Expert Groups for Caesarean Section and Postnatal Care at NICE and sitting on the Guideline Development Group for production of the latest version of Caesarean Section Clinical Guidelines at NICE.

Caron Lappin – Director of Nursing and Midwifery (to 31 August 2020)

Caron joined the board of Liverpool Women's in July 2018 as Director of Nursing and Midwifery. Caron's career has centred around Manchester as a Deputy Director of Nursing and just prior to joining the Trust as Acting Director of Nursing covering four hospital sites - Wythenshawe, Trafford, Withington and Altrincham. Caron was also clinical lead for developing the benefit case in the lead up to the merger of the Manchester Hospitals as part of Devolution Manchester.

Caron is a surgical nurse by background and has worked as the Head of Nursing of a large surgical division and also of a cardiothoracic division.

Gaynor Thomason – Interim Director of Nursing & Midwifery (from 31 March 2020 to 12 November 2020)

Gaynor was appointed as Interim Director of Nursing & Midwifery from 31 March 2020 to cover a period of long-term absence of the substantive post holder. Until 2017 Gaynor was Regional Director of Nursing (North) at NHS Improvement and from October 2014 to March 2016 was Nurse Director (North) at the NHS Trust Development Authority.

Prior to this she was Director of Nursing & Quality at NHS England's Merseyside Area Team (including a secondment as Portfolio Director for Specialised Commissioning) (2013 – 2014) and from 2002 to 2013 held the roles of Interim Chief Executive, Deputy Chief Executive / Director of Nursing & Quality and Director of Nursing Quality & Environment at the Countess of Chester NHS Foundation Trust.

Gaynor is a member of the Chief Nursing Officer of England's Exceptional Leaders network to support senior nurses within the NHS.

Janet Brennan – Acting Director of Nursing & Midwifery (from 12 November 2020 to 31 December 2020)

As Deputy Director of Nursing & Midwifery, Janet acted up to provide interim cover for the role of Director of Nursing & Midwifery whilst the recruitment process for the substantive post-holder concluded.

3i(d) Council of Governors & Members

Council of Governors

The Council of Governors (Council) ensures that the interests of the community served by the Trust are appropriately represented.

The Council is made up of the following representative constituencies:

14 Public Governors - elected by the Trust's public membership who represents the local community, as follows:

- ❖ Central Liverpool – four Public governors
- ❖ North Liverpool - two Public governors
- ❖ South Liverpool - two Public governors
- ❖ Sefton – two Public governors
- ❖ Knowsley – two Public governors
- ❖ The rest of England and Wales – two Public governors

5 Staff Governors - elected by the Trust's staff members, who they represent, as follows:

- ❖ Doctors – one Staff governor
- ❖ Nurses – one Staff governor
- ❖ Midwives – one Staff governor
- ❖ Scientists, technicians and allied health professionals – one Staff governor
- ❖ Administrative, clerical, managers, ancillary and other support staff – one Staff governor.

8 Appointed Governors - nominated by partner organisations who work closely with the Trust, as follows:

- ❖ Liverpool City Council – one Appointed Governor
- ❖ Sefton Borough Council – one Appointed Governor
- ❖ Knowsley Borough Council – one Appointed Governor
- ❖ University of Liverpool – one Appointed Governor
- ❖ Faith Organisations – one Appointed Governor
- ❖ Community & Voluntary Organisations – one Appointed Governor
- ❖ Liverpool Hope University/ Liverpool John Moores University/ Edge Hill University - one Appointed Governor
- ❖ University of Liverpool/ Liverpool Hope University/ Liverpool John Moores University/ Edge Hill University – one student Appointed Governor

The names of the Governors and the constituencies they represent are set out below. The term of office for governors begins and ends at the annual members' meeting of

the Trust held in September / October each year. The terms of office have been rounded to the nearest year.

Council of Governors Meetings

Each year the Council of Governors meets on at least three occasions, in public. Between April 2020 and March 2021, the Council met on four occasions in public. Governors also participate in meetings of the Council's four sub-groups/committees, details of which are provided below. Details of governor attendance at the full council meetings are set out in the table below.

Public (Elected)	Governor	Term in Office	From	To	Council of Governors meetings attended, April 2020 - March 2021
Central Liverpool					
	Carol Darby-Darton	3 Years	2020	2023	0 of 2
	Peter Norris	3 Years	2020	2023	2 of 2
	Thania Islam	3 Years	2018	2021	0 of 4
	Mary Doddridge	3 Years	2018	2021	0 of 4
	Isaac Olaitan Okeya	3 years	2017	2020	0 of 2
	Sarah Carroll	5 years	2015	2020	2 of 2
North Liverpool					
	Adrian O'Hara	5 Years	2015	2020	1 of 2
	Si Jones	3 Years	2018	2021	0 of 4
South Liverpool					
	Ms Janice Mayer	3 Years	2018	2021	0 of 2
	Sara Miceli-Fagrell	3 Years	2019	2022	4 of 4
Sefton					
	Yaroslav Zhukovskyy	3 Years	2020	2023	1 of 2
	Pat Speed	6 years	2014	2020	2 of 2
	Carole McBride	6 Years	2015	2021	0 of 4
Knowsley					
	Rev Anne Lawler	3 Years	2018	2021	0 of 4

Jackie Sudworth	3 Years	2019	2022	4 of 4
Rest of England and Wales				
Denise Richardson	3 Years	2018	2021	4 of 4
Evie Jefferies	3 Years	2019	2022	2 of 4

Staff Governor (Elected)	Term in Office	From	To	Council of Governors meetings attended, April 2020 - March 2021
Doctors				
Dr Kiran Jilani	3 Years	2020	2023	2 of 4
Nurses				
Gillian Walker	3 Years	2017	2020	1 of 2
Rebecca Holland	2 Years	2021	2023	0 of 0
Midwives				
Pauline Kennedy	6 Years	2016	2022	0 of 4
Scientists, technicians and allied health professionals				
Nigel Parsons	3 Years	2019	2022	0 of 2
Maria Culligan	2 Years	2021	2021	0 of 0
Administrative, clerical, managers, ancillary and other support staff				
Kate Hindle	3 Years	2018	2021	4 of 4

Appointed Governor (Elected)	Organisation	Council of Governors meetings attended, April 2020 - March 2021
Cllr Angela Coleman	Liverpool City Council	1 of 4
Cllr Patricia Hardy	Sefton Borough Council	2 of 4
Vacant	Knowsley Borough Council	
Vacant	University of Liverpool	

Rev. Cynthia Dowdle	Faith Organisations	4 of 4
Mary McDonald	Community & Voluntary Organisations	4 of 4
Valarie Fleming	Education Institutions	3 of 4
Vacant	Education Institutions – Student Representative	

Governor elections 2020/21

Governor elections are carried out by Civica (formerly Electoral Reform Services) and the returning officer was Ciara Norris. Elections carried out between July 2020 and September 2020 related to the following constituencies:

Public – Central Liverpool (2 seats) – Peter Norris and Carol Darby Darton were duly elected; Staff – Doctors (1 seat) – Kiran Jilani was duly elected.

There were two uncontested seats: Yaroslav Zhukovskyy was elected unopposed to the Public: Sefton constituency; and Kiran Jilani was elected unopposed to Staff: doctors

There was one public seat (North Liverpool) and one staff seat (Nursing) unfilled.

After a resignation from the Staff Constituency: Scientists, technicians and allied health professionals, it was agreed to hold a bi-election for this constituency and for Staff Constituency: Nursing. On an election held on 16 March 2021 Maria Culligan was elected uncontested for the former and on 1 April 2021 Rebecca Holland was elected uncontested for the latter. Again, these elections were carried out by Civica (formerly Electoral Reform Services) and the returning officer was Ciara Norris.

Date of Election	Constituencies involved	No of Members in Constituency	No of Seats Contested	Number of Contestants	Election Turnout %
24 September 2020	Public – Liverpool Central	2,756	2	4	4.6%

Lead governor

Kate Hindle, Staff Governor, has been lead governor throughout 2020/21. The Lead Governor is the point of contact between NHS Improvement (NHSI) and the Council, in circumstances only where it would be inappropriate for NHSI to contact the Trust Chair.

Role of the Council of Governors

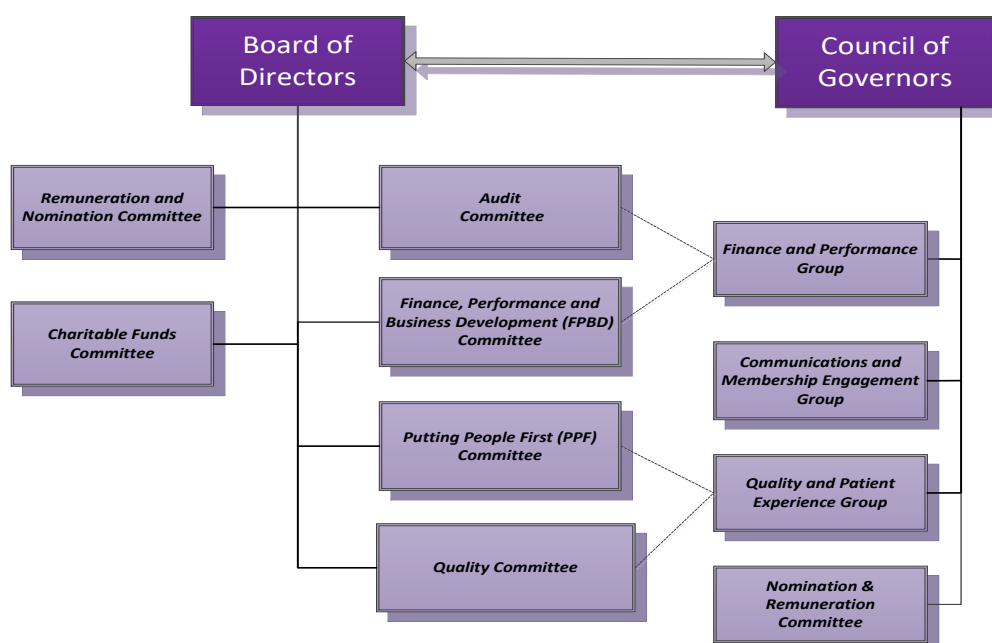
The Council has responsibility for representing the interests of the members, partner organisations and members of the public in discharging its statutory duties which include:

- ❖ holding the Non-Executive Directors to account individually and collectively for the performance of the Board
- ❖ the appointment and, if appropriate, removal the Chair

- ❖ the appointment and, if appropriate, remove the other Non-Executive Directors
- ❖ approve the remuneration and allowances, and other terms and conditions of office of the chair and other Non-Executive Directors
- ❖ approve the appointment of the Chief Executive on recommendation from the Board Nominations and Remuneration Committee
- ❖ appoint, re-appoint and, if appropriate, remove the auditor
- ❖ receive the annual report and accounts and any report on these provided by the auditor
- ❖ approve any 'significant transactions' as defined within the Trust's constitution
- ❖ approve an application by the Trust to enter into a merger, acquisition, separation or dissolution
- ❖ decide whether the Trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service in England, or performing its other functions, and
- ❖ approve amendments to the Trust's constitution.

Council of Governors Group Structure

The Council agreed an assurance sub-group structure at its meeting in April 2017. The sub-groups mirror the Board Committee structure (see diagram below) and supports the governors in obtaining assurance on the operation of the Trust. The 'sub-group' structure for the Council of Governors comprises of a Communications and Membership Engagement Group; a Quality and Patient Experience Group; and a Finance and Performance Group. Each sub-group has their own terms of reference and are chaired by a Governor and supported by Non-Executive Directors and Executive Directors/Managers. This provides the governors with additional opportunity to address any concerns they may have with Non-Executive Directors that may have arisen during a Board meeting or within the Trust.



Communications and Membership Engagement Group: The purpose of the Group is to assist the Council in the performance of its duties, including recommending objectives and strategy in the development of Communications and Membership

matters, having regard to the interests of its Public & Staff members, its patients and other stakeholders.

Quality and Patient Experience Group: The purpose of the Group is to assist the Council in the performance of its duties in the provision of assurance concerning the delivery of quality and safe healthcare; by gaining greater understanding of the influences that impact on the provision of care and services in support of getting the best outcomes and experience for patients.

Finance and Performance Group: The purpose of the Group is to assist the Council in the performance of its duties in the provision of assurance of the Trust's financial and operational performance

Nomination and Remuneration Committee: The work of the Council's Nomination and Remuneration Committee is outlined in section 3ii Remuneration Report.

Each of the Council's sub-groups reports to the Council and makes recommendations for its consideration appropriate to their terms of reference.

There continues to be a positive and constructive working relationship between the Council and the Board of Directors and this has continued throughout the pandemic through maximizing the use of online platforms. Governors effectively fulfil their statutory duties and the Council provides both constructive challenge and support to the Board. Executive and Non-Executive Directors regularly attend meetings of the Council and governor groups in order to understand governors' views and concerns and all directors receive agenda for the Council's meetings. The Board has a standing invitation to attend all meetings of the Council.

During the financial year, the Governors have not exercised their power under paragraph 10C of schedule 7 of the NHS Act 2006.

On 11 February 2021, the Council of Governors received an overview of the Trust's planning assumptions and approach for 2021/22 and were able to provide views and comments.

Governors' attendance at organised and supported events

Alongside the formal meetings and sub-groups/committees, briefing sessions and communications have taken place to both inform the governors of Trust initiatives and work programs and gain their views and support.

Throughout 2020/21, work was undertaken to ensure that the Council of Governors have been kept updated with the Trust's approach to managing the COVID-19 pandemic. Regular bespoke bulletins were shared together with video messages from the Chair. To supplement meeting papers, video messages on key topics such as the staff survey and the Trust's vaccine approach have been recorded by Executive and Non-Executive Directors and shared with governors.

Alongside the above activities there is governor representation at the Trust's Experience Senate to provide the Senate and Committee with insight into the needs of patients and their families.

Governors and members were involved in the development of the Trust's 2021-2025 Corporate Strategy. Activities included:

- | | |
|-----------|---|
| Governors | <ul style="list-style-type: none"> • Items featured at various governor meetings to update on and discuss strategy development • Two separate breakout sessions held to discuss and hear responses on patient experience and ambitions • Objectives shared with governors and feedback invited |
| Members | <ul style="list-style-type: none"> • Updates on strategy given at Members' Engagement Strategy meeting • Survey shared with Members via email • Members invited to take part on Zoom focus groups |

These views were fed back to the Board at a workshop session held in January 2021.

Governors are not remunerated but they are entitled to claim expenses in connection with their duties.

A governors' register of interests is maintained. Members of the public can find the register of interests at www.liverpoolwomens.nhs.uk.

All Directors' invited to attend meetings of the Council held during 2020/21 is set out below:

		Quarterly Meetings attended April 2020 to March 2021
Non-Executive Directors		
Robert Clarke	Non-Executive Chair ⁽¹⁾	4 of 4
Tony Okotie	Non-Executive Director & Senior Independent Director	2 of 4
Phil Huggon	Non-Executive Director	2 of 4
Ian Knight	Non-Executive Director	3 of 4
Susan Milner	Non-Executive Director	4 of 4
Jo Moore	Non-Executive Director	2 of 4
Louise Kenny	Non-Executive Director	2 of 4
Tracy Ellery	Non-Executive Director	3 of 4
Executive Directors		
Kathryn Thomson	Chief Executive	4 of 4
Michelle Turner	Director of Workforce and Marketing	3 of 4
Jennifer Hannon	Director of Finance	3 of 4
Andrew Loughney	Medical Director	2 of 3
Gary Price	Director of Operations	2 of 4
Caron Lappin	Director of Nursing & Midwifery	0 of 2
Gaynor Thomason	Interim Director of Nursing & Midwifery	0 of 2
Janet Brennan	Interim Director of Nursing & Midwifery	1 of 1

Marie Forshaw	Director of Nursing & Midwifery	1 of 1
Lynn Greenhalgh	Medical Director	1 of 1

(1) Robert Clarke is chair of the Board of Directors and the Council of Governors and attends the Council of Governors as a member with full voting rights.

Members

Any member of the public over the age of 12 years who lives in England and Wales can be a member of the Trust. Most members come from the areas where the Trust provides clinical services: the local authority areas of Central Liverpool, North Liverpool, South Liverpool, Knowsley and Sefton.

Membership of the Trust is made available to all Trust staff automatically where they have a permanent contract of employment or have worked for the Trust for at least 12 months. Members of staff are able to opt out of being a member if they wish.

As at 31 March 2021 the Trust had 10,843 members:

Public	Number
Central Liverpool	2,734
Knowsley	1,099
North Liverpool	1,536
Sefton	1,212
South Liverpool	1,308
Rest of England	1,403
Total public membership	9,292
Staff	Number
Doctors	101
Nurses	417
Midwives	331
Scientists, technicians and allied healthcare professionals	330
Administrative, clerical, managers, ancillary and other support staff	372
Total staff membership	1551

Led by its Communications and Membership Engagement Group, the Trust's Council developed and approved a three-year membership strategy in January 2017. The Strategy provided a 'roadmap' for the Trust's membership work over three years. At its heart was the desire to make membership relevant, interesting and rewarding. Its key focus was on putting in place robust arrangements for ensuring that our members had a loud and clear voice within the organisation, that they had an avenue to contribute to the development of the organisation and that the Trust's services took full account of members' views, ideas and concerns.

Reflections on progress against the membership strategy objectives up until the end of 2018/19 were provided to a Governors' Communications and Membership Engagement Group in May 2019. It was reported that whilst there had been some notable engagement successes (e.g. 'Get Involved' campaign in Liverpool City Centre in August 2018), activity had been tied to the on-going progress of the Trust's 'Future Generations' strategy which had slowed due to issues outside of the Trust's control. Several of the objectives set at the launch of the current Membership Strategy therefore remained pertinent and relevant for taking forward the Trust's approach to

membership engagement. These could be characterised as ‘enabling’ objectives that needed to be achieved before more far-reaching aims could be progressed.

These were themed as follows:

- The need to data cleanse the Trust’s membership database and improve contact information. This will improve the Trust’s ability to communicate quickly and inexpensively with members.
- Improve the representation of several areas of the membership demographic through targeted recruitment
- Start to develop regular communications with members and improve links / accountability with governors.
- Improve engagement with particular groups e.g. young people

The December 2019 Communications and Membership Engagement Group was informed of a proposal to include membership engagement within a revised Trust Communications & Engagement Strategy from 2020/21 rather than creating a separate standalone Membership Strategy. The intention was to learn the lessons from the 2017-20 Membership Strategy and focus on 3-5 key activities during the year ahead that could be clearly monitored, and impact measured.

Due to the COVID-19 outbreak and pandemic, progress on the revised LWH Communications & Engagement Strategy was limited and as a result a year extension to the current document was agreed. Whilst membership engagement had been referenced within the extended document, the detail was not as extensive as would have been in place in a fully revised document. It was therefore agreed to include an addendum to 2017-20 Membership Strategy to provide this detail ahead of a comprehensive refresh in April 2021.

The addendum outlined several membership engagement objectives for 2020/21. The COVID-19 pandemic meant that a focus on realistic and achievable goals was even more important. The effects of lockdown and social distancing limited engagement options and in a time of increased pressure, it was vital that NHS resources were utilised effectively and for a clear purpose. However, the pandemic also engendered an unprecedented amount of goodwill from the public towards the NHS and interest in health and healthcare services has never been higher. Therefore, it was agreed that it would be worthwhile to progress with membership engagement activity that reflected the current challenges and enabled for effective planning ahead of a post COVID-19 environment. A key objective within the addendum was the development of a ‘membership charter’ to provide clarity on the ‘offer’ of membership. It was also recognised that some of our members would want to be more actively involved whereas some may prefer to only receive information from the Trust.

Steps were taken in January 2021 to ask members what level of involvement they wished to have – they could choose to be “Informed” or to be “Involved”.

- Be informed: members receive regular information about the Trust, such as invitation to the members annual meeting, receive notices of election and receive the Trust's quarterly newsletter.
- Be Involved: Includes the above plus participation in surveys, questionnaires focus group discussions and behind the scenes events.

There was a recognition that the Membership Strategy would require a comprehensive review and refresh heading into 2021/2022. This work has been undertaken via a governor's task and finish group with oversight provided by the Governors' Communications & Membership Engagement Group.

In the interim, progress was made during 2020/21 to create new engagement opportunities – particularly through the development of 'behind the scenes' events. The first of the Behind the Scenes events titled 'Menopause: 'Improving Patient Care, Research and the Impact of Menopause on the Workplace'', presented by Paula Briggs, Consultant in Sexual and Reproductive Health took place on Tuesday 9th February. This was followed by the second event "Multidisciplinary Endometriosis Service & How Laparoscopic / Robotic Surgery can support the most complex endometriosis patients and other benign gynaecological conditions" presented by Miss Manou Manpreet Kaur and Mr Ilyas Arshad which was held on Monday 8th March. The third event is to be held on Tuesday 27th April titled 'Fundraising and Volunteers' hosted by Kate Davis Head of Fundraising. This will be giving an update on Charity progress and future plans along with Gina Barr, our Voluntary Services Manager who will be talking about volunteering opportunities at the hospital and how to 'Get Involved'.

Members can contact governors at the Trust by:

- ❖ Post – trust offices, Liverpool Women's NHS Foundation Trust, Crown Street, Liverpool L8 7SS;
- ❖ Telephone – 0151 702 4018;
- ❖ Email – communications@lwh.nhs.uk

3ii Remuneration report

Chair's annual statement on remuneration

This report includes details of the activity of the Board of Director's Nominations and Remuneration Committee and the Council of Governor's Nominations and Remunerations Committee.

For the purposes of the remuneration report the term senior managers relates to those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust and covers the Chair, the Executive and Non-Executive Directors of the Trust.

The Board of Directors delegates the responsibility to a Board Nominations and Remuneration Committee (Committee) to make decisions regarding the nomination, appointment, remuneration and conditions of service for Executive Directors including the Chief Executive. This Committee also has general oversight of the Trust's pay policies, but only determines the reward package for directors and staff not covered by agenda for change.

The Committee made a number of decisions during the year relating to the Executive Directors including: the appointment of the Director of Nursing & Midwifery, the appointment of the Medical Director, a review of performance of executive directors and the principles guiding Very Senior Management (VSM) remuneration. For further details see the paragraph 'Annual Report on Remuneration'.

Senior Managers' Remuneration Policy

The Trust does not apply performance related pay conditions linked to Executive Directors' or Non-Executive Directors' remuneration and no formal policy exists in setting the remuneration of either Executive Directors or Non-Executive Directors. The Trust is required to report what constitutes the senior managers' remuneration in tabular format set out below:

Components of Remuneration Package of Executive and Non-Executive Directors	Basic pay in accordance with their contract of employment (executive) and letters of appointment (non-executive)
Components of Remuneration that is relevance to the short and long term Strategic Objectives of the Trust	The directors do not receive any remuneration tailored towards the achievement of Strategic Objectives.
Explanation of how the Components of Remuneration operate	Basic pay of the executive directors is determined by the Board nominations and remuneration committee, taking into account past performance, future objectives, market conditions and comparable remuneration information from trusts within the locality. Executive directors receive pay increases each year linked to pay increases for staff under agenda for change. Basic pay of the non-executive directors is determined by the Governor nominations and remuneration committee.
Maximum amount that could be paid in respect of the component	Maximum payable is the director's annual salaries as determined by the relevant nominations and remuneration committees.

Explanation of any provisions for recovery	If an individual is overpaid in error, there is a contracted right to recover overpayment.
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The Trust is committed to increasing the diversity of its workforce at all levels of the organisation. It has been an objective of the WRES action plan over the last couple of years to increase the numbers of non-clinical staff at management level (bands 6-9). There has been limited progress with this objective, despite targeting BAME colleagues in the organisation with leadership and promotional opportunities. The Trust has reaffirmed a commitment to the aim through establishing this as a strategic objective in the Trust's recently approved 2021-25 Corporate Strategy. Attempts were made during the year to increase the diversity of the Board by specifically inviting applications from individuals with protected characteristics and from under-represented socio-economic groups in the recent recruitment for NED positions. During the year, the Trust has also participated in GatenbySanderson's 'Insight Programme' – an initiative to provide exposure to the Non-Executive Director role to individuals from underrepresented groups.

The Trust's Executive Directors are not employed under fixed term contractual arrangements and are required to give and receive either twelve or six-months' notice under the terms of their contract of employment.

The executive director who is required to give and receive twelve months' notice is Kathryn Thomson; and Executive Directors who are required to give and receive six months' notice are Michelle Turner, Jennifer Hannon, Lynn Greenhalgh, Marie Forshaw and Gary Price. Compensation payments payable to Executive Directors are in accordance with their contract, which entitles them to either twelve months' or six months' pay on termination by the Trust. Both the employee and employer contribute to the NHS pension scheme and note 1.3 of the annual accounts provides an explanation of how pension liabilities are treated in the accounts.

The Chair and Non-Executive Directors are appointed by the Council of Governors for fixed terms of office, usually for an initial term of office of three years, following which they may be appointed for an additional term of three years. The Chair and Non-Executive Directors have a notice period of three months and are not entitled to compensation for loss of office.

The term of office of the current Chair and Non-Executive Directors are listed below:

	Commencement date	Term of Office expiry date
Robert Clarke	01 March 2016	28 February 2022
Tony Okotie	01 July 2015	30 June 2022*
Ian Knight	04 April 2016	TBC*

Jo Moore	04 April 2016	31 March 2022
Louise Martin	01 April 2021	31 March 2024
Susan Milner	01 June 2016	31 May 2022
Louise Kenny	01 March 2019	28 February 2022
Tracy Ellery	01 March 2019	28 February 2022

*Please see section on Council of Governors Nomination & Remuneration Committee for further detail.

Civil Service Remuneration Threshold

In 2020/21 one (2019/20: one) Executive Director was paid more than the £150,000 threshold level which the Civil Service use as a threshold for approval by the Chief Secretary to the Treasury as set out in guidance issued by the Cabinet Office. The Trust has satisfied itself that this level of remuneration is reasonable by comparison to remuneration in previous years and benchmarking against executive pay in other foundation trusts and the wider NHS. Details of the payments can be found in the tables below.

Annual report on remuneration

The Nominations and Remuneration Committee of the Board of Directors determines the remuneration, terms and conditions of the Trust's Chief Executive and Executive Directors. Following a discussion held at a September 2020 Committee meeting, it was agreed to form a Working Group, led by the Vice-Chair, Jo Moore, to develop updated Executive pay ranges and underpinning principles for remuneration. An approach was agreed by the Committee in October 2020 that would ensure that the Trust was able to:

- recruit and retain high calibre individuals
- remain competitive within its peer group
- evidence value for money in our approach to executive pay.

The principles agreed included; continuing to apply a Specialist Trust 15% Premium to published NHSI/E pay ranges, defining the Trust's comparator peer group as 'Small Acute Foundation Trusts (excluding London)' and for an option for pay progression to accommodate experience, development and growth within an existing role and for this to be supported by appraisal outcomes.

In November 2020, the Committee reviewed the Trust's current pay ranges against benchmark information and made a number of amendments to ensure that these were commensurate with the established principles and comparator trusts.

The Committee also considers Executives' annual appraisals / PDRs. Each Executive Director has objectives set at the beginning of the financial year which are drawn from the Trust's agreed corporate objectives. Performance against these objectives is

reviewed annually by the Chief Executive and details shared with the Board's Nomination and Remuneration Committee. The Chair appraises the Chief Executive who in turn appraises Executive Directors.

Whilst it was agreed to wait until the 2020/21 appraisals were completed before considering changes to salary spot points, there were two exceptions to this during the year. The first related to the salary of the Director of Nursing & Midwifery, which was reviewed and uplifted based on benchmarking data. This decision was taken in advance of the recruitment process for the vacant position being finalised. Secondly, on reviewing pay ranges, it was evident that the Chief Executive's salary was an outlier in relation to comparator trusts and had also not recognised the length of tenure and additional external responsibilities undertaken. The Committee agreed a 2% pay uplift.

The membership of the Board's Nomination and Remuneration Committee comprised the Trust's Chair and the Non-Executive Directors. The Trust Secretary is secretary to the Committee. At the Committee's invitation and in accordance with its terms of reference, the Chief Executive (for the remuneration part of the meeting) and Chief People Officer attend the meeting. The Committee met in June 2020, July 2020, August 2020, September 2020, twice in October 2020, November 2020 and December 2020 with attendance as follows:

	Number of meetings
Robert Clarke, Chair	8 of 8
Tony Okotie, Non-Executive Director	8 of 8
Phil Huggon, Non-Executive Director	6 of 8
Susan Milner, Non-Executive Director	8 of 8
Jo Moore, Non-Executive Director	6 of 8
Ian Knight, Non-Executive Director	8 of 8
Louise Kenny, Non-Executive Director	6 of 8
Tracy Ellery, Non-Executive Director	5 of 8

A summary of the key discussions and decisions made by the Committee are as follows:

Change of Job Titles: Following a national desire to achieve standardisation in job titles, it was agreed that the following job titles were changed:

- Director of Operations to Chief Operating Officer
- Director of Workforce & Marketing to Chief People Officer

Interim Director of Nursing & Midwifery: As noted in last year's report, to cover a period of unplanned absence for the substantive Director of Nursing Midwifery, Gaynor Thomason was appointed as Interim Director of Nursing & Midwifery from 31st March 2020. The arrangements for the interim cover were formally agreed at the June 2020 Committee meeting. The Committee also approved a temporary uplift in salary for the Chief People Officer to recognise additional responsibilities relating to governance as this was moved from the Director of Nursing & Midwifery portfolio until a substantive

appointment was made. Following Gaynor's departure from the Trust in November 2020, the Committee agreed that the Deputy Director of Nursing & Midwifery, Janet Brennan, would act up to be Acting Director of Nursing & Midwifery until the substantive post holder started.

Director of Nursing & Midwifery and Medical Director Appointments: The Committee oversaw and approved the recruitment for the above-named positions. Marie Forshaw, Director of Nursing and Midwifery and Dr Lynn Greenhalgh, Medical Director both assumed their respective roles from 1 January 2021.

Fit and Proper Person Regulations Compliance 2019/20: The Trust undertakes checks for Directors and those at Board level to support the Fit and Proper Person regulations (FPPR). These checks are done at appointment and also annually. The Committee received assurance that all relevant checks had been undertaken for the 2019/20 financial year. An enhanced process had been put into place to respond to comments made by the CQC during the 2019/20 inspection.

Changes to Public Sector Exit Payment Regulations and Impact on Notice Period for Executive Directors: The Committee was informed that regulations were now in force which imposed a cap of £95k on exit payments in the NHS. This would need to be taken into account when planning for any future exits of staff, in particular senior or long serving staff. Given the impact of the restrictions on pay in lieu of notice (PILON) it was recommended that the two remaining Executive Directors (Chief Executive and Chief People Officer) with 12 months' notice periods revert to six months to support compliance. This was agreed by the Committee (subject to discussions with the individuals concerned). The application of these regulations has been updated and the Committee will consider the potential impact on the Trust during 2021/22 and will review notice periods, taking into consideration the views of the individuals. At the current time, the notice period for the Chief Executive remains at 12 months.

Remuneration: The Committee agreed an increase in the remuneration of the Executive Directors in line with guidance issued by NHS Improvement. The pay award amounted to a consolidated increase of 1.03% payable from 1 April 2020.

Council of Governors Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Trust's Council of Governors oversees the appointment of the Non-Executive Chair and Non-Executive Directors to the Board; reviews the annual appraisal of the Chair and Non-Executive Directors; and determines their remuneration and terms and conditions. Recommendations on these matters are made to the full Council of Governors where consideration and approval is provided. The Committee is chaired by the Trust's Chair and its members during the year were: public – Kate Hindle (Lead Governor), Mary Doddridge, Denise Richardson; Staff – Gill Walker (until October 2020); Staff – Kiran Jilani (from October 2020) and appointed - Mary McDonald.

The Committee met formally three times during the year to: review the performance appraisal of the Chair and Non-Executive Directors, determining any increase or changes to their remuneration and terms and conditions, and to oversee the recruitment process for Non-Executive Directors.

Appraisal process

For the Chair appraisal process, the Committee utilised the revised Chair Role Description to align with the guidance provided in the Framework for Development of NHS Provider Chairs. It was recommended to the Council of Governors that there was no justification for adjustment to the remuneration levels for either the Trust's Chair or Non-Executive Directors. The Council of Governors agreed this position.

Non-Executive Director Recruitment

The Committee agreed that the process for recruiting Non-Executive Directors would be managed internally by the Trust. There was a strong emphasis in the recruitment process of identifying candidates from under-represented groups and who would provide a community focus for the Board. It was felt that the Trust would understand its own requirements more comprehensively than an external recruitment provider. There were three vacancies which were advertised openly via NHS England / Improvement and other job websites. Attempts were also made to highlight the advert to various community groups to encourage applications from a range of individuals with diverse backgrounds. The Committee agreed that there would be a two-stage interview process, which was undertaken during January 2021.

After careful deliberation, taking into account all information at its disposal together with the responses it received during the interview; the Committee recommended two candidates for appointment – a decision then approved by the full Council of Governors.

Regarding the third vacancy, a recommendation was made by the Committee that the role should not be re-advertised at that juncture as it was unlikely to achieve a new cohort of applicants. The Committee also considered the knowledge base of the current Board noting four new appointments during early 2021: that of the Director of Nursing & Midwifery, Medical Director and two Non-executive Directors, and the subsequent impact of membership and effectiveness on Board Committees. As such the Committee recommended providing Non-Executive Director Tony Okotie a 12-month extension term of office and to re-advertise the role as part of the 2022 NED recruitment process. This was agreed by the Council of Governors.

After the decision to recruit two Non-Executive Directors to start on 1 April 2021, one of the designated Non-Executives was nominated as the Labour Party Candidate for the Liverpool Mayoral election. To respect purdah restrictions, the Council of Governors agreed to defer the appointment until after the result of the election was

known. To provide on-going Non-Executive availability, particularly through the year-end process, it was also agreed to extend the tenure of Non-Executive Director Ian Knight for a period of up to six months.

Senior Managers Remuneration and Pension

The audited remuneration and pension benefits of senior managers are disclosed in this report and can be found below. Accounting policies for pensions are set out in note 9. There are no entries in respect of pensions for Non-Executive Directors as they do not receive pensionable remuneration. Additionally, there were no contributions to Stakeholder Pensions on behalf of any of the Directors of the Trust.

Salary Entitlements of Senior Managers
2020/21

Name	Position Held	Salary and Fees (in bands of £5,000)	All Taxable Benefits (total to the nearest £100)	Annual Performance Related Bonuses (in bands of £5,000)	Long Term Performance Related Bonuses (in bands of £5,000)	All Pension-Related Benefits (in bands of £2,500)	Total (in bands of £5,000)	Expenses (in bands of £100)
Kathryn Thomson	Chief Executive (1)	170 - 175	24,600	-	-	-	195 - 200	-
Andrew Loughney	Medical Director & Deputy Chief Executive - to 31st December 2020 (2)	105 - 110	1,200	5 - 10	15 - 20	82.5 - 85	215 - 220	-
Lynn Greenhalgh	Medical Director - from 1st January 2021 (2)	30 - 35	-	10 - 15	-	50 - 52.5	90 - 95	-
Jennifer Hannon	Director of Finance	130 - 135	-	-	-	32.5 - 35	165 - 170	-
Gary Price	Chief Operating Officer	115 - 120	2,500	-	-	105 - 107.5	225 - 230	-
Michelle Turner	Chief People Officer (1)	130 - 135	18,300	-	-	-	145 - 150	-
Gaynor Thomason	Interim Director of Nursing & Midwifery - from 31st March 2020 to 12th November 2021 (3)	120 - 125	-	-	-	-	120 - 125	-
Janet Brennan	Acting Director of Nursing & Midwifery - from 13th November 2020 to 31st December 2020	10 - 15	-	-	-	55 - 57.5	65 - 70	-

Marie Forshaw	Director of Nursing & Midwifery - from 1st January 2021	30 - 35	-	-	-	177.5 - 180	205 - 210	-
Robert Clarke	Chair	35 - 40	-	-	-	-	35 - 40	8 - 9
Ian Knight	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	6 - 7
Tony Okotie	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	2 - 3
Phil Huggon	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	7 - 8
Susan Milner	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	-
Joanne Moore	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	2 - 3
Tracy Ellery	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	-
Louise Kenny	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	-
	Band of Highest Paid Director's Remuneration (in band of £5,000)	170 - 175						
	Median Total Remuneration (£)	33,779						
	Ratio	5.11						

(1) There are no Pension related Benefits figures for Kathryn Thomson (Chief Executive) and Michelle Turner (Chief People Officer) as they both opted out of the pension scheme in March 2019 and now take part in the Trust's Pension Contribution Alternative Award Scheme, that went live in April 2019. The figures in their taxable benefits relates to the respective Pensions Restructuring Payments from the scheme that they have received in the 2020/21 financial year.

(2) The remuneration of Andrew Loughney and Lynn Greenhalgh both include Annual Performance Related Bonuses in relation to Clinical Excellence Awards they received in relation to their work in clinical roles.

(3) There is not a pension related benefits figure for Gaynor Thomason (Interim Director of Nursing & Midwifery) as she is not a member of the pension scheme.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

Salary Entitlements of Senior Managers
2019/20

Name	Position Held	Salary and Fees (in bands of £5,000)	All Taxable Benefits (total to the nearest £100)	Annual Performance Related Bonuses (in bands of £5,000)	Long Term Performance Related Bonuses (in bands of £5,000)	All Pension-Related Benefits (in bands of £2,500)	Total (in bands of £5,000)	Expenses (in bands of £100)
Kathryn Thomson	Chief Executive (1)	165 - 170	21,700	-	-	-	185 - 190	-
Andrew Loughney	Medical Director & Deputy Chief Executive - from 1st October 2019 (2)	70 - 75	-	5 - 10	20 - 25	10 - 12.5	110 - 115	0 - 0
Devender Roberts	Acting Medical Director - to 30th September 2019 (2)	75 - 80	-	15 - 20	-	240 - 242.5	330 - 335	10 - 11
Caron Lappin	Director of Nursing & Midwifery	115 - 120	-	0 - 0	-	95 - 97.5	210 - 215	-
Jennifer Hannon	Director of Finance	125 - 130	-	-	-	37.5 - 40	165 - 170	-
Michelle Turner	Director of Workforce & Marketing & Deputy Chief Executive (1 & 3)	120 - 125	15,600	-	-	-	135 - 140	0 - 0

Gary Price	Director of Operations - from 29th July 2019	70 - 75	-	-	-	182.5 - 185	250 - 255	-
Gaynor Thomason	Interim Director of Nursing & Midwifery - from 31st March 2020	0 - 5	-	-	-	-	0 - 5	-
Robert Clarke	Chair	35 - 40	-	-	-	-	35 - 40	27 - 28
Ian Knight	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	24 - 25
Tony Okotie	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	2 - 3
Phil Huggon	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	6 - 7
Susan Milner	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	0 - 0
Joanne Moore	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	0 - 0
Tracy Ellery	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	-
Louise Kenny	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	-
	Band of Highest Paid Director's Remuneration (in band of £5,000)	165 - 170						
	Median Total Remuneration (£)	33,612						
	Ratio	4.98						

(1) There are no Pension related Benefits figures for Kathryn Thomson (Chief Executive) and Michelle Turner (Director of Workforce & Marketing & Deputy Chief Executive) as they both opted out of the pension scheme in March 2019 and have taken part in the Trust's Pension Contribution Alternative Award Scheme, that went live in April 2019. The figures in their taxable benefits relates to the respective Pensions Restructuring Payments from the scheme that they have received from April 2019 onwards.

(2) Dr Andrew Loughney went on secondment to the Royal Liverpool and Broadgreen University Hospitals NHS Trust from 1 June 2018 for two days a week, fully reimbursable and from 8 March 2019 4 days a week fully reimbursable until the 1st October 2019. Dr Devender Roberts was appointed Acting Medical Director from 8 March 2019 to the 30th

September 2019. The remuneration of Andrew Loughney and Devender Roberts both include Annual Performance Related Bonuses in relation to Clinical Excellence Awards they receive in relation to their work in clinical roles.

(3) Michelle Turner fulfilled the additional role of Deputy Chief Executive from the 8th March 2019 to the 30th September 2019.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

Other Arrangements

Name	Position Held	Salary and Fees	Other Taxable Remuneration	Benefits in Kind	All Pension-Related Benefits	Total
		(in bands of £5,000)	(total to the nearest £100)	(total to the nearest £100)	(in bands of £2,500)	(in bands of £5,000)
Lorraine Turner	Interim Director of Operations (from 18 February 2019 to the 28 th July 2019) (1)	145 - 150	-	-	-	145 -150

(1) The disclosure relates to Lorraine Turner who has provided interim cover for the role of Director of Operations.

Pension Benefits

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

Name	Position Held	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2021 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2021 (bands of £5,000) £000	Cash Equivalent Transfer Value at 1 April 2020 £000	Real increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2021 £000
Kathryn Thomson	Chief Executive (1)	0	0	0	0	0	0	0
Andrew Loughney	Medical Director & Deputy Chief Executive - to 31st December 2020	2.5 - 5	2.5 - 5	60 - 65	150 - 155	1,214	83	1,345
Lynn Greenhalgh	Medical Director - from 1st January 2021	0 - 2.5	0 - 2.5	45 - 50	95 - 100	815	14	886
Jennifer Hannon	Director of Finance	2.5 - 5	0	15 - 20	0	184	33	221
Gary Price	Chief Operating Officer	5 - 7.5	10 - 12.5	25 - 30	45 - 50	266	86	356
Michelle Turner	Chief People Officer (1)	0	0	0	0	0	0	0
Gaynor Thomason	Interim Director of Nursing & Midwifery - from 31st March 2020 to 12th November 2021 (1)	0	0	0	0	0	0	0

Janet Brennan	Acting Director of Nursing & Midwifery - from 13th November 2020 to 31st December 2020	0 - 2.5	0 - 2.5	40 - 45	130 - 135	878	10	970
Marie Forshaw	Director of Nursing & Midwifery - from 1st January 2021	0 - 2.5	5 - 7.5	50 - 55	150 - 155	898	45	1,105

(1) There are no current or prior year pension figures for Kathryn Thomson (Chief Executive), Michelle Turner (Chief People Officer) or Gaynor Thomason (Interim Director of Nursing & Midwifery) as they are not members of the pension scheme.

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV reflects the increase in CETV effectively funded by the employer and uses movements in the Consumer Prices Index for the start and end of the period. The rate of inflation for 2020/21 is 1.7%.

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 future once legal proceedings are completed.

Note: Any negative pension figures have been removed and made nil as per guidance in the Department of Health and Social Care Group Accounting Manual.

Fair pay multiples

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

The banded remuneration of the highest paid director in Liverpool Women's NHS Foundation Trust in the financial year 2020/21 was £172,500 (2019/20, £167,500). This was 5.11 times (2019/20, 4.98) the median remuneration of the workforce, which was £33,779 (2019/20, £33,612). In 2020/21, 1 (2019/20, 3) employees received remuneration in excess of the highest-paid director and their remuneration was £215,653 (2019/20, ranged from £167,854 to £261,018).

The ratio is consistent year on year because the remuneration of the highest paid director has increased in line with the median remuneration.

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

Payments for loss of office

No individual who was a senior manager received a payment for loss of office during the financial year (2019/20, £nil).

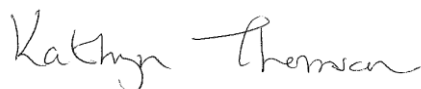
There were no other payments made to the individual in connection with termination of services as a senior manager, including outstanding long-term bonuses that vest on or following termination.

Payments to past managers

No individual had received any payments of money or other assets who had not been a senior manager during the financial year but had previously been a senior manager at the trust (2019/20, £nil).

Governors' expenses

There was a total of 27 governors in post during 2020/21 (2019/20, 25). No governors claimed expenses during the financial year (2019/20, £518).



Kathryn Thomson

Chief Executive

10 June 2021

3iii Staff report

Analysis of Average Staff Numbers and Costs

We are committed to supporting and investing in our staff to deliver services that are safe, effective and efficient and achieve the best possible experience for patients and their families.

The table below details the average number of staff engaged with the Trust for the period 2020/21. For clarity, there are no staff engaged overseas.

The following chart shows the average number of employees on a whole-time equivalent basis

Average number of employees (WTE basis)

	Permanent Number	Other Number	2020/21 Total Number	2019/20 Total Number
Medical and dental	83	21	104	137
Ambulance staff	-	-	-	-
Administration and estates	304	19	323	297
Healthcare assistants and other support staff	177	16	193	181
Nursing, midwifery and health visiting staff	635	45	680	645
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	92	3	95	115
Healthcare science staff	-	-	-	-
Social care staff	-	-	-	-
Other	-	7	7	14
Total average numbers	1,291	111	1,402	1,389

Of which:

Number of employees (WTE) engaged on capital projects

18	7	25	20
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Breakdown of year end numbers of male/female staff

The Trust workforce profile as at 31st March 2021 shows that 90.75% of staff employed at the Trust are female and the remainder 9.24 % are male. This gender split is broken down as below:

Group	Female	Male	Total Headcount
Executive Director	5	1	6
Chair & Non-Executive Director	4	4	8
Medical	68	38	106
Senior Manager	35	11	46
Staff	1312	91	1403
Grand Total	1424	145	1569

The Trust's latest gender pay gap report (2019) can be found on the following link:
<https://www.liverpoolwomens.nhs.uk/media/2939/gender-pay-gap-reporting-final-2019.pdf>

Information on the staff turnover can be found on the following link:
<https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>

Staff Costs

	Permanent £000	Other £000	2020/21 Total £000	2019/20 Total £000
Salaries and wages	59,984	3,666	63,650	57,255
Social security costs	5,364	-	5,364	4,961
Apprenticeship levy	293	-	293	272
Employer's contributions to NHS pension scheme	9,551	-	9,551	8,871
Pension cost - other	29	-	29	24
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	145	-	145	270
Temporary staff	-	755	755	1,984
Total gross staff costs	75,366	4,421	79,787	73,637
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	75,366	4,421	79,787	73,637
Of which				
Costs capitalised as part of assets	1,205	68	1,273	1,128

Sickness Absence Data

The sickness absence rate of staff within the organisation over the last 4 years is detailed below:

Financial Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Cum Year End
17 - 18 Sickness	4.64%	5.17%	4.56%	4.05%	4.51%	3.26%	4.15%	4.29%	4.28%	5.58%	5.23%	4.66%	4.66%
18 - 19 Sickness	4.52%	3.61%	4.34%	4.09%	4.27%	4.23%	3.63%	4.97%	5.05%	5.22%	5.75%	5.60%	4.70%
19 - 20 Sickness	5.48%	5.07%	4.27%	4.97%	5.92%	5.22%	6.24%	5.76%	6.21%	6.23%	5.79%	7.75%	5.79%
20 - 21 Sickness	7.92%	5.61%	5.21%	5.56%	4.98%	6.28%	8.16%	7.24%	6.92%	8.32%	7.08%	5.63%	6.41%

The above table shows that cumulative year end sickness figure has increased quite significantly from 5.79% in 19/20 to 6.41% in 20/21. We recognise that underlying levels of sickness exceeded the Trust target of 4.5% and this was exacerbated by COVID-19 absence and additional absence due to the requirement to self-isolate which was recorded as special leave. In the first quarter of the year, special leave exceeded 5% which put additional pressure on the workforce.

Financial Year	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Cum Year End
20/21 - Special Leave	7.57%	6.09%	5.20%	5.14%	1.58%	1.94%	2.68%	3.48%	1.67%	4.25%	3.55%	3.57%	3.89%

The three main reasons for sickness absence in the last three financial years are outlined below. Staff identified as having COVID related symptoms were categorised within the Cold, Cough, Flu bracket, which was consequently the main reason for absence in 2020/21.

Financial Year	Reason 1	Reason 2	Reason 3
2018/2019	Gastrointestinal problems - 21.89%	Cold, Cough, Flu - Influenza - 16.42%	Stress - 13.72%
2019/2020	Cold, Cough, Flu - Influenza - 20.99%	Gastrointestinal problems - 20.08%	Stress - 13.81%
2020/2021	Cold, Cough, Flu - Influenza - 38.28%	Stress - 15.20%	Gastrointestinal problems - 10.96%

Staff Policies & Actions Applied During the Financial Year

During the last financial year there have been seven ratified new or revised policies. An ongoing policy review group with staff side partners continues to ensure that staff side are able to input into policies at an early stage. A review of all key policies in the context of Fair and Just Culture is being carried out in Quarter 1.

The Trust has continued work to embed the 'Fair and Just Culture' learning methodology within core business and Fair and Just is part of a review of culture, values and behaviours at LWH. In Q1 of this year, over 200 managers will be trained in Fair and Just methodology, enabling them to act as role models and ambassadors.

The Trust has an over-arching Equality, Diversity and Human Rights policy and has this year set the ambitious goal of becoming the most inclusive employer in the NHS, as articulated in the corporate objectives. To support this, we have committed to appointing a second Freedom to Speak up Guardian from a diverse background to support this over-arching goal, along with a range of other activities including internal and external mentoring and reverse mentoring, establishment of two staff networks for staff from ethnically diverse backgrounds and staff with a disability. The Trust continues to be accredited as a "Disability Confident Employer" and 'Mindful Employer'. and is committed to supporting staff to gain access to employment and maintain employment. Our WRES action plan has some specific objectives:

- On-going Listening events on topic of Bullying & Harassment
- Review of ED&I training provision, introduction of cultural awareness training piloted in maternity
- Career clinics for BAME staff
- Mentoring and reverse mentoring schemes
- Specific targets for BAME representation in leadership roles to be devised
- On-going recruitment audits, positive targeting of applicants via community groups, on-going widening participation work

Our WDES action plan has similar themes

- Expanding programme of internships for disabled staff via widening participation scheme
- Offering career coaching to this cohort of staff
- On-going recruitment audits
- Training for managers on reasonable adjustments and supportive approach to attendance management.
- Encouraging staff to declare their disability

The Trust supports pre-employment programmes with the purpose of providing an opportunity to those within the community to experience what it is like to work both at the Trust and within the NHS. The programme also aims to enable those on the programme to be employment ready. Although restrictions on face to face events have hindered our work experience and pre-employment programmes, the Trust has continued to take part in a number of virtual career events, with a particular focus on the L8 area. We have continued to support the Acorns programme is aimed at young people and helps them to get ready to be able to apply for a place in university for nursing or midwifery. Going into 21-22, we are embarking on a range of new pre-employment opportunities including Kickstart, work with the Prince's Trust and supported traineeships.

We have this year improved our accreditation in the Workplace Wellbeing Charter and implemented a range of wellbeing interventions in response to COVID-19 which included provision of additional staff rest and relaxation facilities, regular walkarounds from a group of 25 'Staff Supporters' trained in listening skills, provision of resilience training to teams and individuals, weekly emails with mental health advice and resources, signposting to our own counselling and Occupational health services as well as the Cheshire and Mersey Resilience Hub. In 2020 we introduced introduction of Schwartz rounds to enable discussions amongst colleagues to provide a platform for discussions on emotional well-being which have been well attended and well evaluated as a safe space to support staff mental wellbeing.

The Attendance Management Policy continues to articulate how we support staff with disabilities via reasonable adjustments. The HR team continue to provide advice and training on how to deliver reasonable adjustments and this will be an area of focus for the new Disability Staff Network. The Recruitment & Selection policy supports all staff,

including disabled employees in relation to promotion opportunities. In relation to career development and training the PDR policy and Study Leave policy also ensure that staff with a disability are not discriminated against. As part of our WRES and WDES action plans, regular audit and scrutiny of staff survey results and recruitment and training data ensure we are treating all staff fairly. As part of the LWH talent management strategy, colleagues from diverse backgrounds are receiving additional bespoke support and career conversations to enable them to overcome any barriers.

There are a number of Trust policies in place that provide employees with information on how raise matters of concern. These include; Grievance Policy, Whistleblowing Policy, Dignity at Work Policy, Duty of Candour Policy and Disciplinary Policy. There is regular communication sent to all staff on policy updates.

The Trust continues to engage more formally with its staff and its recognised staff side organisations through the Partnership Forum and the Joint Local Negotiating Committee (JLNC). The Trust is proud of its excellent working relationships with its staff side organisations and continues to work productively with the Staff Side Chair who is a midwife.

The Trust has established a very successful programme of 'Listening Events' which take place on a bi-monthly basis and invite staff and partners from all levels of the organisation including Non-Executive Directors to participate in facilitated discussion on a range of key topics enabling two-way feedback at all levels. An Executive visibility programme as well as informal opportunities to meet with the Chief Executive at 'coffee mornings' continue, and this supports the workforce in being kept updated about the strategic direction of the organisation. Specific briefings have continued in relation to the future strategic direction of the Trust.

The Trust continues to encourage employees to be involved in, and take responsibility for, the Trust's performance - monthly workforce KPI reports are produced (sickness, turnover, mandatory training and performance development reviews) and circulated to all managers, senior managers, the Putting People First board assurance committee and the Partnership Forum. Heads of Service are also held to account for delivery of these KPI's, as well as for agency / temporary staffing spend and workforce cost improvement plans through performance meetings with the Executive Team. Each service within the Trust is also asked to present a workforce assurance paper to the PPF Committee on an annual basis and again managers are held to account for performance and potential areas of concern are discussed and action plans requested to provide assurance to the Committee.

During the year, the Trust's Health and Safety Manager continued to develop, review and implement health and safety policies and procedures to meet both internal and external requirements in order to keep our patients, staff and visitors safe. A significant investment has been dedicated to the introduction of the Alcumus Sypol COSHH management software. Using the electronic COSHH risk assessment management tool is an improvement in evidencing completion of COSHH risk assessments and audit compliance. Monitoring of health and safety related non-

clinical incidents was carried out throughout the year; identifiable trends and RIDDORs have been investigated and acted upon. The Health and Safety Group and supporting risk management working groups aim to identify and mitigate risk through lessons learned to reduce accidents and incidents, improve health and safety awareness, provide a broad base of expertise and experience for solving problems and in engaging staff, so that concerns can be raised and addressed, as appropriate.

Occupational Health services continue to be provided by LUHT with Staff Counselling services provided by Merseycare and we continue to receive a responsive service. The flu campaign was successfully completed with 85% of frontline staff vaccinated.

There are a number of staff policies which support Fraud Prevention, including Disciplinary, Job Planning for Consultant Medical Staff, Job Planning for SAS Doctors, Recruitment & Selection policy. The Whistleblowing Policy also references mechanisms whereby staff can raise concerns around fraud issues both internally and externally. The Trust's counter-fraud team also contribute to the Trust Induction programme to ensure all new starters are aware of their responsibilities and how to raise such concerns. Fraud prevention is also a focus of three risks on the HR risk register.

Staff Survey Results 2020

The NHS Staff Survey is the national annual survey carried out across the whole of the NHS. It is a key indicator in terms of staff engagement, both in gauging the views and opinions of our staff and being able to compare our performance against similar Trusts throughout the country. The results are used to identify any potential causes for concern and help formulate any necessary remedial actions, but also to celebrate and share good practice.

The table below shows the Trust scores across the ten key themes within the survey, giving comparisons to our results over the previous three years, and against our benchmarking group of other Specialist Acute Trusts:

Theme	2020		2019		2018		2017	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, Diversity & Inclusion	9.50	9.20	9.40	9.20	9.50	9.30	9.40	9.30
Health & Wellbeing	6.50	6.50	6.40	6.30	6.30	6.30	6.30	6.30
Immediate Managers	6.80	7.10	6.90	7.10	6.80	7.00	6.70	6.90
Morale	6.30	6.40	6.30	6.40	6.10	6.30	---	---
Quality of Care	7.60	7.90	7.60	7.60	7.60	7.80	7.60	7.70
Safe Environment – Bullying & Harassment	8.70	8.40	8.70	8.30	8.60	8.20	8.30	8.40
Safe Environment – Violence	9.80	9.80	9.90	9.80	9.90	9.70	9.80	9.70
Safety Culture	6.90	7.00	6.90	7.00	6.70	6.90	6.70	6.90
Staff Engagement	7.10	7.40	7.20	7.50	7.00	7.40	7.00	7.40
Team Working	6.80	6.80	6.60	6.90	---	---	---	---

As in previous years, we chose to survey all our staff, not just the sample required by the national survey, and we continued to use a mixed approach of paper and electronic questionnaires, targeted in terms of what would be most effective in different areas. Although our response rate did not quite match our figure from the previous year, response rates were seen to dip across the majority of organisations, and at 55.3%, it is still sufficient to give us a reliable and robust set of data.

Overall, there has been little change in this year's staff survey results. While on the one hand it is disappointing that more progress has not been made in key areas, it is also apparent that the continuing COVID-19 pandemic is likely to have had an effect on the results, and on some of the key issues that are measured by the survey.

Across the ten key themes, the scores for three improved, four remained unchanged, and the scores for three fell. However, none of the changes was by more than 0.2, and none of the changes were deemed to be statistically significant.

Although there is little change overall, the results vary across different areas of the Trust, and across different staff groups. The results have been drilled down to division, directorate and ward/department level, and summaries have been distributed to the divisional management teams. The divisions will select a key theme from the results to focus on for improvement, with each ward/department being asked to identify a sub-theme and then follow through with an action plan to address the issues/barriers/problems within that sub-theme which will be tracked via Divisional Boards. Successes will then be shared across divisions and throughout the Trust as

a whole as examples of best practice, thereby maximising the impact of changes driven by the staff survey results.

The results will also be used to sense-check and enhance the Trust's Putting People First Strategy Action Plan, and to help provide a context through which to interpret the national NHS People Plan.

In addition to the staff survey, over the past 12 months the Trust has held a number of formal Listening events, open to any member of staff in the organisation to attend. The last face to face listening event was in February 2020 on the topic of the 2019 Staff Survey.

Subsequently we have held 3 listening events virtually on the topics of Quality Improvement, Learning from Covid and Patient experience. Feedback from the listening events is collated and disseminated to relevant individuals for action. Improved processes are being introduced to ensure that this feedback is followed up and key themes captured and tracked via Divisional People Plans.

Maternity have established a weekly action group with staff representatives to capture feedback and progress the maternity improvement plan. Staff Engagement and internal communications as well as wellbeing is an objective as part of every manager's PDR. There have also been covid specific surveys and listening events for particular staff groups. The introduction of staff networks for ethnically diverse and disabled staff is another source of rich feedback and key themes are being captured to inform the Equality, Diversity and Inclusion Committee.

Walkabouts by members of the executive team and Board continue on a weekly basis, as well as the partnership walkabouts with Staff Side. Again, it is important this feedback is captured and acted upon and processes are being put in place to enable feedback to be captured, correlated and fed back into Trust Board on a regular basis.

In addition to the national staff survey, the Trust conducts a local survey in the other 3 quarters. Nationally from July 21, the staff friends and family test is being replaced with a national quarterly staff survey, People Pulse.

Trade Union Facility Time

Table 1 – Relevant Union Officials

What was the total number of employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	6.87

Table 2 – Percentage of time spent on facility time

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

Percentage of time	Number of employees
0%	0
1 – 50%	8
51 – 99%	0
100%	0

Table 3 – Percentage of pay bill spent on facility time

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

First Column	Figures
Provide the total cost of facility time	£13,279.63
Provide the total pay bill	£78,514,000.00
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.02%

Table 4 – Paid trade union activities

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

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	4.18%
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Expenditure of Consultancy

Consultancy costs for the financial year 2020/21 were £293K (2019/20, £69K).

Off-Payroll Arrangements

The use of off-payroll arrangements is covered by the Trust's Temporary Staffing Policy which details the controls that the Trust has in place. These controls include that all bookings must be made through approved routes and agency requests can only be taken forward using the Trust's list of approved suppliers.

Additional checks are in place in respect of contracts with highly paid staff which meet the threshold used by HM Treasury. The Trust ensures that there are contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations. Assurance is also requested to ensure compliance for a sample of off-payroll arrangements as stipulated in the guidance.

Below are details of off-payroll engagements made by the trust during the year. The disclosures relate to public sector appointees not on the Trust's payroll.

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

	2020/21 Number of engagements
Number of existing engagements as of 31 Mar 2021	12
Of which:	
Number that have existed for less than one year at the time of reporting	1
Number that have existed for between one and two years at the time of reporting	4
Number that have existed for between two and three years at the time of reporting	2
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	5

All existing off-payroll engagements, outlined above, have been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax; and where necessary that assurance has been sought.

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 that last for longer than six months

	2020/21 Number of engagements
Number of new engagements, or those that reached six months in duration between 01 April 2020 and 31 March 2021	1
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	1
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency / assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

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 of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year*	0
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	9

***Details of off-payroll engagements of Board members, and /or senior officers with significant financial responsibility, during the financial year**

Gaynor Hales took up the post of the interim Director of Nursing & Midwifery from the 31st March 2020 onwards to provide cover for the substantively employed Director of Nursing & Midwifery, Caron Lappin due to an unplanned absence. The appointment was made under an agency arrangement.

Reporting of compensation schemes - exit packages 2020/21

The table below discloses the compulsory redundancies and other departures, highlighting the staff numbers that fall within the differing cost ranges in the 2020/21 financial year.

Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
<£10,000	0	0	0
£10,000 - £25,000	0	0	0
£25,001 - 50,000	0	0	0
£50,001 - £100,000	0	0	0
£100,001 - £150,000	0	1	1
£150,001 - £200,000	0	0	0
>£200,000	0	0	0
Total number of exit packages by type	0	1	01
Total cost (£)	£0	£145,000	£145,000

In the 2020/21 financial year, there were no other departures under the Mutually Agreed Resignation Scheme (MARS) (2019/20 – there were 0 departures).

3iv Disclosures set out in the NHS Foundation Trust Code of Governance

Meeting the code of governance

Liverpool Women's NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The Board of Directors is committed to achieving the highest standards of governance within the Trust and has established processes to enable it to comply with the Code of Governance.

The Trust's Audit Committee receives a full analysis regarding compliance each year. The Code requires NHS foundation trusts to make a full disclosure on their governance arrangements for the financial year 2020/21. The Code also requires the Board to explain how the main principles and supporting principles of the Code have been applied. Information that satisfies this requirement can be found throughout the Annual Report and Accounts document. Furthermore, the Trust is required to provide a statement either confirming compliance with the provisions of the Code or where appropriate, an explanation in each case why the Trust has departed from the Code.

The table below sets out NHS Improvement's Code of Governance where the Trust is required to provide supporting explanations.

For the year 2020/21 the Trust can confirm that it complies with the provisions of the Code.

Whilst not identified as non-compliance, an additional note has also been provided for **Code Provision B.1.1**: *The board of directors should identify in the annual report each non-executive director it considers to be independent.*

The Council of Governors undertook a recruitment process in early 2021 for three NED vacancies. A recommendation was approved to appoint to two of the three vacant positions and was asked to further consider the vacant position. The Council of Governors agreed that they should not re-advertise the role at this point as it was unlikely to achieve a new cohort of applicants. The Committee also considered the knowledge base of the current Board noting four new appointments during early 2021: that of the Director of Nursing & Midwifery, Medical Director and two Non-executive Directors, and the subsequent impact of membership and effectiveness on Board Committees. As such the Committee recommended providing Non-Executive Director Tony Okotie a 12-month extension term of office and to re-advertise the role as part of the 2022 NED recruitment process.

Subsequent to the decision to recruit two Non-Executive Directors, one of the designated Non-Executives was nominated as the Labour Party Candidate for the Liverpool Mayoral election. To respect purdah restrictions, the Council of Governors agreed to defer the appointment until after the result of the election was known. To

provide on-going Non-Executive availability, particularly through the year-end process, it was also agreed to extend the tenure of Ian Knight for a period of up to six months.

The following provisions of the code are required to be recorded in the annual report:

Code provision	Trust position	Comply or explain?
<p>A.1.1 The Board of Directors (Board) should meet sufficiently regularly to discharge its duties effectively. There should be a schedule of matters specifically reserved for its decision. The schedule should include a clear statement detailing the roles and responsibilities of the Council of Governors (Council). This statement should also describe how any disagreements between the Council and Board will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board and Council operate, including a summary of the types of decisions to be taken by each and which are delegated to the executive management of the Board. These arrangements should be kept under review at least annually.</p>	<p>In 2020/21 the board of directors met formally on 12 occasions and met as a workshop on 4 occasions. Matters reserved for the Board, including the types of decisions it takes and which are delegated to committees and executive management, are included in the Trust's Corporate Governance Manual and summarised in the 3i Director's report and 3vii Annual Governance Statement.</p> <p>The general duties of governors are stated in the Trust's constitution. Matters for which the Council of Governors is responsible and makes decisions on is outlined in the 3i(d) Council of Governors & Members.</p> <p>A general statement on the handling of disputes is contained in the Trust's constitution.</p>	<p>Comply</p>
<p>A.1.2 The annual report should identify the Chair, Deputy Chair, Chief Executive, Senior Independent Director (SID) and the Chair and members of the Nominations, Audit and Remuneration Committees. It should also set out the number of meetings of the Board and those committees and individual attendance by directors.</p>	<p>This information is provided in the following sections: 3i(a) Director's report 3i(b) Audit Committee report 3i(c) Board of Directors pen portraits 3ii Remuneration report 3vii Annual Governance Statement.</p>	<p>Comply</p>
<p>A.5.3 The annual report should identify the members of the Council, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. A record should be kept of the number of meetings of the Council and the attendance of individual Governors and it should be made available to members on request.</p>	<p>Full details of Governors and their terms of appointment is given in section 3i(d) Council of Governors & Members.</p> <p>The Lead Governor over the period was Kate Hindle, Staff Governor.</p>	<p>Comply</p>

Code provision	Trust position	Comply or explain?
<p>B.1.1 The Board should identify in the annual report each Non-Executive Director (NED) it considers to be independent. The Board should determine whether the director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement. The Board should state its reasons if it determines that a director is independent despite the existence of relationships or circumstances which may appear relevant to its determination.</p>	<p>The independence of each NED is reviewed on appointment and reassessed annually.</p> <p>All NEDs are required to annually submit a self-declaration and provide details of any conflict of interest.</p> <p>The Council of Governors undertook a recruitment process in early 2021 for three NED vacancies. A recommendation was approved to appoint to two of the three vacant positions and was asked to further consider the vacant position. The Council of Governors agreed that they should not re-advertise the role at this point as it was unlikely to achieve a new cohort of applicants. The Committee also considered the knowledge base of the current Board noting four new appointments during early 2021: that of the Director of Nursing & Midwifery, Medical Director and two Non-executive Directors, and the subsequent impact of membership and effectiveness on Board Committees. As such the Committee recommended providing Non-Executive Director Tony Okotie a 12-month extension term of office and to re-advertise the role as part of the 2022 NED recruitment process.</p> <p>Subsequent to the decision to recruit two Non-Executive Directors, one of the designated Non-Executives was nominated as the Labour Party Candidate for the Liverpool Mayoral election. To respect purdah restrictions, the Council of Governors agreed to defer the appointment until after the result of the election was known. To provide on-going Non-Executive availability, particularly through the year-end process, it was also agreed to extend the term of office of Ian Knight for a period of up to six months.</p>	<p>Comply</p>
<p>B.1.4 The Board should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the Trust. Both statements should also be available on the Trust's website.</p>	<p>Section 3i (a) Directors' Report Section 3i(c) Board of Directors pen portraits.</p>	<p>Comply</p>
<p>B.2.10 A separate section of the annual report should describe the work of the nominations committee/s, including the process it has used in relation to Board appointments. The main role and responsibilities of the nominations</p>	<p>Section 3ii Remuneration report</p> <p>The Committees' terms of reference are available on request from Trust Secretary at communications@lwh.nhs.uk.</p>	<p>Comply</p>

Code provision	Trust position	Comply or explain?
committee should be set out in publicly available, written terms of reference.		
<p>B.3.1 For the appointment of a Chair, the nominations committee should prepare a job specification defining the role and capabilities required including an assessment of the time commitment expected, recognising the need for availability in the event of emergencies. A Chair's other significant commitments should be disclosed to the Council before appointment and included in the annual report. Changes to such commitments should be reported to the Council as they arise, and included in the next annual report. No individual, simultaneously whilst being a Chair of a Foundation Trust, should be the substantive Chair of another Foundation Trust.</p>	<p>There is a current Role Description for the Chair which has been approved by the Council of Governors (most recently updated in January 2020). Future appointment would require the approval of the Council of Governors on recommendation of the Governor Nomination and Remuneration Committee.</p> <p>The significant commitments of those recommended for appointment as Chair are disclosed to the Council before appointment.</p> <p>Disclosure of Chair's (and other Directors) other significant commitments is recorded on register of interests and can be reviewed on the Trust's website. The Annual Report references how the public can gain access to the Register of Interests, and this meets the requirement of the FT Annual Reporting Manual.</p> <p>The Chair serving during the year has not been the substantive Chair of another Foundation Trust during his tenure.</p>	Comply
<p>B.5.6 Governors should canvass the opinion of the Trust's members and the public, and for appointed governors the body they represent, on the Trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.</p>	Section 3i (d) Council of Governors & Members.	Comply
<p>B.6.1 The Board should state in the annual report how performance evaluation of the Board, its committees, and its directors, including the Chair, has been conducted, bearing in mind the desirability for independent assessment, and the reason why the Trust adopted a particular method of performance evaluation.</p>	<p>3i(a) Director's report 3i(b) Audit Committee report 3ii Remuneration report 3vii Annual Governance Statement.</p>	Comply
<p>B.6.2 Evaluation of the Board should be externally facilitated at least every three years. The evaluation needs to be carried out against the Board leadership and governance framework set out by Monitor. The external facilitator should be identified in the annual report and a</p>	<p>The Trust engaged with Grant Thornton who undertook an external well-led review against the NHSI Framework during January – April 2021. Further detail is included in the Accountability Report and Annual Governance Statement.</p>	Comply

Code provision	Trust position	Comply or explain?
statement made as to whether they have any other connection to the Trust.		
C.1.1 The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	3i(a) Director's report 3i(b) Auditors report 3vii Annual Governance Statement	Comply
C.2.1 The Board should maintain continuous oversight of the effectiveness of the Trust's risk management and internal control systems and should report to members and governors that they have done so. A regular review should cover all material controls, including financial, operational and compliance controls.	An annual review of the system of internal control is conducted on the instruction of the Trust's Audit Committee by internal auditors. 3i(b) Audit Committee report 3vii Annual Governance Statement.	Comply
C.2.2 A Trust should disclose in the annual report if it has an internal audit function, how the function is structured and what role it performs or if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	3i(b) Audit Committee report 3vii Annual Governance Statement	Comply
C.3.5 If the Council does not accept the Audit Committee's recommendation, the Board should include in the annual report a statement from the Audit Committee explaining the recommendation and should set out reasons why the Council has taken a different position. <i>[external auditor appointment]</i>	3i(b) Audit Committee report	Comply

Code provision	Trust position	Comply or explain?
C.3.9 A separate section of the annual report should describe the work of the committee in discharging its responsibilities.	3i(b) Audit Committee report	Comply
D.1.3 Where a Trust releases an executive director, for example to serve as a NED elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	3ii Remuneration report	Comply
E.1.4 The Board should ensure that the Trust provides effective mechanisms for communication between Governors and members from its constituencies. Contact procedures for members who wish to communicate with Governors and/or Directors should be made clearly available to members on the Trust's website and in the annual report.	Section 3i(d) Council of Governors & Members.	Comply
E.1.5 The Board should state in the annual report the steps they have taken to ensure that the members of the Board, and in particular the NEDs, develop an understanding of the views of governors and members about the Trust.	Section 3i(a) Director's report Section 3i (d) Council of Governors & Members.	Comply
E.1.6 The Board should monitor how representative the Trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Information about the Trust's membership strategy is reviewed and developed by the Council's Communication and Membership Engagement Group and is available to the Board. Section 3i (d) Council of Governors & Members.	Comply

3v NHS Oversight Framework

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

- quality of care
- finance and use of resources
- operational performance
- strategic change
- leadership and improvement capability (well-led).

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

Segmentation

NHS Improvement has placed the Trust in segment 3. On the 8 April 2016 NHS Improvement took action to ensure that the Trust deals with the continuing issues it faces, and the Trust entered into an enforcement undertaking which required specific actions to be taken. The Trust is complying with the requirements of the enforcement undertaking and reports compliance through its integrated governance structure.

This segmentation information is the Trust's position as at 31 March 2021. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

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

Area	Metric	2020/21 Scores				2019/20 Scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial Sustainability	Capital Service Capacity	4	3	1	1	4	4	4	2
	Liquidity	4	4	4	4	4	4	4	4
Financial efficiency	I&E margin	4	4	2	2	2	3	4	4
Financial Controls	Distance from financial plan	1	1	1	1	1	1	1	1
	Agency Spend	1	1	1	1	1	2	2	2
Overall Scoring		3	3	3	3	3	3	3	3

A score of 4 on any of the metrics will lead to a financial override score of 3.

3vi Statement of the Chief Executive's responsibilities as the accounting officer of Liverpool Women's NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Liverpool Women's NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Liverpool Women's NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the *Department of Health and Social Care Group Accounting Manual*) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

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

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

A handwritten signature in cursive script that reads "Kathryn Thomson". The signature is written in black ink and is positioned to the left of a vertical line.

Kathryn Thomson
Chief Executive
10 June 2021

3vii Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

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

Capacity to handle risk

The Trust's risk management strategy sets out the responsibility and role of the Chief Executive in relation to risk management which, as Accounting Officer, I have overall responsibility for. I have delegated the following responsibilities to Executive Directors:

- ❖ The Director of Finance has responsibility for financial governance and associated financial risk;
- ❖ The Director of Nursing and Midwifery has joint authority for clinical governance with the Medical Director and absolute delegated authority for quality, improvement, risk management and complaints, and is executive lead for health and safety, safeguarding and infection control;
- ❖ The Medical Director is responsible for all aspects of clinical risk management and clinical governance and has responsibility for the Trust's Quality Report;
- ❖ The Chief Operating Officer is responsible for emergency planning;
- ❖ The Trust Secretary is responsible for maintaining the Board Assurance Framework.
- ❖ All Executive directors have responsibility for the management of strategic and operational risks within individual portfolios. These responsibilities include the maintenance of the corporate risk register and the promotion of risk management to staff within their areas of accountability. Executive directors have responsibility for monitoring their own systems to ensure they are robust, for accountability, critical challenge and oversight of risk.

The Trust fully implemented a divisional structure from 1 April 2019. This resulted in Maternity, Neonatal, Gynaecology, Theatres, Fertility, Genetics, and all other clinical support services being restructured within three main clinical divisions. The key objective of the structure is to: maintain and improve safety, experience and effectiveness for our patients; create simplified structures where accountability and responsibility is clear; strengthen divisional management teams with medical, operational and nursing/midwifery leaders having clear, shared objectives; simplify divisional reporting and meeting requirements in response to staff feedback regarding the demands of servicing the current organisational structure; and improve divisional governance processes, ensuring a clear line of sight from 'ward to Board'.

The three clinical divisions are: Division of Family Health - Comprising the Maternity and Neonatal directorates; Division of Gynaecology - Comprising the Gynaecology and Hewitt Fertility Centre directorates; and Division of Clinical Support Services - Comprising Pharmacy, Therapies, Theatres, Genetics, all other clinical support services, as well as the Administration and Access Centre. Each Division is led by a Divisional Manager with support from a Clinical Director(s) and Head of Nursing/Midwifery and report to the Executive Team.

The Audit Committee has overarching responsibility for the oversight of risk systems and processes within the organisation. The Trust's other assurance committees: Quality Committee; Finance, Performance and Business Development Committee; and Putting People First Committee monitor the Trust's Board Assurance Framework (BAF) and have oversight of progress against action plans prepared in respect of the key strategic risks. Each Committee reports directly to the Board. The Board reviews the BAF as a minimum quarterly and receives escalated reporting of changes to the risks from its assurance committees as required. These are reported to the Board through a bespoke report and via chairs report produced by the Non-Executive director chair of each Committee.

Risk Management Training

The risk management strategy identifies the Chief Executive as providing leadership and accountability to the Trust for risk management and quality improvement. Senior managers and all staff receive basic risk management training via the Trust's mandatory training programme. In addition, specific staff are trained to a higher level in risk management techniques such as root cause analysis or IOSH (Institution of Occupational Safety and Health) working and managing safely, as identified through the training needs analysis process. Training on use of the Trust's risk software is also provided across the Trust. The Trust's annual appraisal process is used to identify where and if additional, enhanced risk management training is required. Taken together these arrangements ensure staff are trained or equipped to manage risk in a way appropriate to their authority and duties.

Developing a risk aware and risk sensitive culture remains an on-going aim for the Trust. This is to enable risk management and risk management decisions to occur as

near as practicable to the source of the risk. It is also to facilitate appropriate escalation of those risks that cannot be dealt with at the local level.

The risk and control framework

A framework for managing risks across the Trust is provided through the risk management strategy. It provides a clear, structured and systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes at all levels across the organisation. This document is reviewed on an annual basis with the latest version approved by the Board in April 2021.

The Trust operates a principle whereby risks are identified early and are resolved as close as possible to where the risk originated. A dynamic risk register process is in place which is actively monitored by senior managers linking in with clinical and corporate departments which is monitored at the Corporate Risk Committee. The risk register operates as part of a coordinated process which is based around a Standard Operating Procedure introduced in March 2019 and provides a defined process for risk assessment. The key aspects of the Standard Operating Procedure are outlined below:

- *Identification of a Risk and Initial Management of a Risk*
 - Once a risk is identified then a full and comprehensive risk assessment, using the Trust standard template, is completed. At this stage, if the actions identified can be completed in a timely manner and this resolves the risk, then no further action is required, and all evidence is filed.
 - If the risk cannot be resolved at the assessment stage then the completed risk assessment is presented at an appropriate service/department meeting for discussion as to the risk, its action and whether the risk needs to be included on a risk register.
- *Inclusion of a Risk on a Risk Register*
 - Once it is identified that the risk then needs to be placed onto a risk register at service level then the risk is recorded using the Trust Ulysses Risk Management System.
 - Each risk also has a designated risk owner/manager who ensures actions are completed and that the risk is reviewed within the required timeframe and if there are any concerns as to progress that this is escalated appropriately.
- *Management of Risk on Risk Registers at All Levels*
 - Risk registers are used as a system to assist in the management and monitoring of risks with the aim to resolve them or mitigate them to the lowest level of likelihood and harm as is possible.
 - There are two types of review which are required in the risk register system:
 - *Review of the actual risk* – this is completed in line with the chosen timeframe when adding the risk to the system or if it has been changed during a previous review.

- The target risk score is based on SMART¹ principles and is not just an arbitrary figure. All risk scores are identified using the National Patient Safety Agency (NPSA) Risk Matrix ensuring that the correct domain for the risk is used, therefore identifying an appropriate target risk score.
- *Review of Actions* – When a risk has individual actions in place, then these are clearly articulated with target dates for completion or review.
- *Gatekeeping* – Prior to any risk being added to any risk register a comprehensive risk assessment is completed which is then reviewed and discussed either at an appropriate meeting or with a senior member of the divisional team where authorisation for inclusion on a risk register is provided.
- *Escalation and De-escalation* – Once on a risk register a risk can be escalated or de-escalated depending on a number of factors both internal and external.
- *Removal of Risk from Risk Registers* - Once all actions have been completed and the risk score has reduced to its lowest level possible then a review is to be undertaken by the risk manager and the managing group as to whether it is appropriate for the risk to be removed from the register. It is then the risk can be closed on the Ulysses system, with all accompanying evidence of risk reduction loaded into the evidence section to support future audit. Where a risk score has been reduced to its lowest level through actions and controls but is considered to still be an ongoing risk then this remains on a risk register with the review period being set to annual. This allows for ongoing sight of the risk, but with no need for regular updating unless there is a change to the risk or any controls.

A committee structure supports the Trust's integrated governance processes and facilitates the appropriate identification of risk ensuring it is properly mitigated, monitored and reported. As Chief Executive, I chair the Corporate Risk Committee which coordinates and prioritises all categories of risk management. In fulfilling its role, the Committee meets at least six times a year to review all significant corporate risks and considers whether any risks need to be escalated to a relevant committee, sub-committee or group. The Committee is also responsible for ensuring that any lessons learned arising from the corporate risk register are communicated across the Trust. Following the changes to the organisational structure, the membership of the Corporate Risk Committee was amended to ensure representation from the three clinical divisions. The Corporate Risk Committee reports to the Quality Committee of the Board of Directors.

Risk Appetite

¹ Objectives are 'SMART' if they are specific, measurable, achievable, realistic and, timely (or time-bound)

The Trust's Risk Management Strategy determines that on an annual basis the Trust will publish its risk appetite statement as a separate document. The Risk Management Strategy describes the process as follows:

"The risk appetite of the Trust is the decision on the appropriate exposure to risk it will accept in order to deliver its strategy over a given time frame". In practice, the Trust's risk appetite should address several dimensions:

- The nature of the risks to be assumed.
- The amount of risk to be taken on.
- The desired balance of risk versus reward.

Risks throughout the organisation should be managed within the Trust's risk appetite, or where this is exceeded, action taken to reduce the risk. The Trust's risk appetite statement will be communicated to relevant staff involved in the management of risk".

Each strategic aim is allocated to a Board Committee and each respective Committee provides a recommendation to the Board on the proposed level of risk tolerance. A paper is collated and the Board is requested to approve the overall risk appetite statement. This was most recently undertaken in the April 2021 Board meeting. The risk appetite forms part of the BAF and is used to inform discussions around strategic risk.

Quality Governance Arrangements

During 2020/21 the Trust continued to operate a model of integrated governance. This best practice model is defined by having in place effective systems, processes and behaviours governing quality assurance and operating within transparency that encourages challenge. There are defined clinical and patient safety performance metrics within the Trust's broad governance work-streams which are monitored through the Trust's internal control systems (clinical governance) and external assurance(s), accreditation and regulation including NHS Improvement, the Care Quality Commission and the Human fertility and Embryology Authority (HfEA). Further detail on the steps which have been put in place to assure the Board that there are appropriate controls in place to ensure the accuracy of quality data is included within the 'Data Quality and Governance section' below.

Management of Serious Incidents

The Trust follows NHS England's guidance in reporting Serious Incidents and carrying out investigations. This includes uploading all Serious Incidents onto StEIS (Strategic Executive Information System) for external review. Both our local commissioners and our regulators are informed of the Trust's Serious Incidents and monitor the outcomes. The current approach is changing following the publication in July 2019 of a new National Patient Strategy, which identified the need to restructure the national approach to patient safety and ensure there was a national framework for all organisations to follow. Part of the new strategy was the updating of the current

National Serious Incident Framework which is to become the Patient Safety Incident Response Framework. The new approach will see a move away from Root Cause Analysis into system analysis and failures with the approach of investigating themes. The approach is also about a more compassionate approach to investigating incidents and supporting staff involved in incidents. The early adopters are currently piloting the new framework with a planned national rollout in 2022.

The Trust engages in open and honest discussions to agree the appropriate and proportionate response with executive directors, senior managers and clinicians including at time advice from the CCG. Both NHS England and our local commissioners recognise that the best position is for us to discuss openly, to investigate proportionately. It is nationally accepted that organisations that report more incidents usually have a better and more effective safety culture.

As part of the current Trust policy for the Management of Incidents and Serious Incidents, all incidents which are reported as serious incidents have a 72hr review completed which aims to identify if there are any immediate actions required to keep our patients safe whilst the investigation is being completed. These are clearly documented and submitted to the CCG and CQC for assurance.

CQC Registration Requirements

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. The Trust underwent a CQC inspection during December 2019 and January 2020 and was rated 'good' in relation to its services. The CQC was told by patients and families during their inspection of positive examples of caring, compassionate care and patients gave the CQC positive feedback about the care they received. However, in relation to the well-led element, the CQC rated the Trust as 'requiring improvement'. An action plan was developed to ensure that the areas of improvement identified from the inspection were taken forward within the appropriate timescales. The most significant of these recommendations related to a warning notice which stated that there had been a failure to ensure that systems and processes were effectively established to ensure the proper and safe management of medicines. An immediate action taken was to implement twice weekly audits of medicine management with any resulting issues escalated as appropriate. Further actions included:

- Cross Divisional audits
- Quarterly safe and secure storage of medicine audits undertaken by pharmacy reporting to Medicines Management Committee
- Development of a Medicines Safety Group (May 2020) reporting into Medicines Management Committee
- Chair's report from Medicines Management Committee received by each sitting of the Safety Senate including any items for escalation. Deputy Chief Pharmacist added to the membership list of Medicines Management Committee to present.

- Quarterly medicines management assurance report now being presented directly to Quality Committee to include safe and secure storage audits and wider medicines management key topics
- Update of medicines management learning material and roll out of this material as a mandatory e-learning medicines management module for clinical staff.
- Update of key medicines management trust policies including medicines administration and safe storage of medicines to increase safety measures therein
- The development of a monthly ward audit programme (as part of ward accreditation) which replaced the twice weekly audits from June 2020.
- A weekly report of all medicine incidents reported on Ulysses sent to the Director of Nursing & Midwifery, Deputy Director of Nursing & Midwifery, the Medical Director and Deputy Chief Pharmacist.
- Individuals who continue not to follow medicines policies are in receipt of appropriate management using a fair and just culture approach.
- Internal review of theatres by an independent theatre specialist – action plan developed and monitored through CSS Divisional Board and assurance through safety senate.
- The Trust's Internal Auditor (MIAA) was requested to undertake an audit to seek evidence of implementation of the medicine management action plan and consider whether the control enhancements made were sustainable and in line with current Trust policies. The findings confirmed that, overall, the Trust had provided a comprehensive and robust response to the four specific points highlighted by the CQC
- An internal audit review of medicine management in the Neonatal directorate. High assurance against this audit was reported in March 2021.

The CQC confirmed with the Trust in September 2020 that the warning notice had been lifted.

The action plan for the other CQC recommendations was reported through each respective Division, the Trust's Effectiveness Senate, the Quality Committee and the Trust Board on a regular basis. At December 2020, all 'must do' actions had been closed with the exception of:

- 'The Trust must ensure that patients receive care in a timely way and work towards improving performance against national standards such as the time from diagnosis to treatment'
 - The inspection was undertaken pre-COVID-19 and in response to the pandemic, actions were taken in line with national guidance which severely impacted the Trust's ability to meet current elective care standards. Regular updates were provided throughout the year to Liverpool Clinical Commissioning Group and the CQC in performance and engagement meetings.
- 'The service must ensure that there is a system in place to manage the deterioration of a poorly young person between the age of 16 and 18 years old'

- A task and finish group was established to provide oversight of progress against this recommendation and a number of supporting actions required consultation and/or a longer lead in time, such as:
 - Employment of paediatric nurses
 - Consultation process for a new policy for the Management of Children and Young Persons in Hospital.
 - Consultation process for a new document: Standards of Vital Signs Monitoring, including a new Paediatric Early Warning Score (PEWS) chart.

The Trust is continuing to work to close out these actions.

During the pandemic, the Trust provided mutual aid for the wider system. Part of this included the provision of breast surgery on the Crown Street site. Whenever an offer of mutual support was made by the Trust and this was outside of the existing 'Statement of Purpose', approval was sought from the CQC.

Trust's Key Risks

During 2020-21 the Trust BAF has been proactively managed and includes risks related to the strategic risks of the organisation from a clinical and non-clinical perspective.

The BAF risks throughout 2020/21 were as follows:

- The Trust is not financially sustainable beyond the current financial year
 - Initial risk score was 25 and the risk score at the end of 2020/21 remained at 25. This risk has been monitored closely by the Finance, Performance & Business Development Committee throughout the year and remains a key long-term risk faced by the Trust. The Trust reported a £4.0m deficit during 2020/21 and whilst a breakeven position in forecast for the first half of 2021/22, there remains some significant uncertainties in the funding environment. The implications of this are being reviewed alongside the Trust's Long-term Financial Model and the emerging guidelines around a new System Oversight Framework. This will inform the risk profile for 2021/22.
- Ineffective understanding and learning following significant events
 - The initial risk score was 20 and the score at the end of 2020/21 was 12 with the target score being 6. Whilst work has progressed in relation to developing the Trust approach to learning lessons it has been acknowledged throughout the year that this an area that requires strengthening and improvement. This is being given a key focus by the Board in early 2021/22 and the assurances provided, or otherwise, will inform the risk profile in this area going forward.

- Staff are not engaged, motivated or effective in delivering the vision, values and aims of the Trust.
 - This risk was reduced to 8 from 10, with Board approval in May 2020, given the consistent improvement in the Staff Survey engagement score since 2016. Improvement in the staff engagement score stalled in 2020, the reasons for which are being explored. The results of this review may influence the risk in this area during 2021/22.
- Insufficient numbers of clinical staff resulting in a lack of capability to deliver safe care and effective outcomes.
 - This risk remained at a score of 15 throughout the year. With the appointment of a full cohort of Gynaecology Consultants during the year, it was expected that this risk would reduce towards the target of 10 but due to ongoing challenges relating to the pandemic it was felt germane to retain a higher risk score.
- Inability to achieve and maintain regulatory compliance, performance and assurance.
 - In May 2020, the Trust board committees reviewed each of the BAF risks in relation to the potential impact of COVID-19 pandemic on the risks. Following the COVID-19 impact review, two of the BAF risks were identified as requiring an increase in their current risk score. This included the risk relating to regulatory compliance as it was identified that there was a reduction in staff time on site to support direct actions for compliance. As a result, the Board in July 2020 agreed to increase the score for likelihood to 4 (from 3) giving a risk score of 16 (from 12).
 - This risk was further reviewed during October 2020 and it was asserted that there was a robust system in place and the ability to provide robust evidence to external regulators as and when required. It was therefore proposed and agreed at the November 2020 Board that the risk target of 8 had been achieved and the risk could be deescalated to the corporate risk register for monitoring for a period of 6 months and then deescalated to divisional level for ongoing monitoring.
- Location, size, layout and accessibility of current services do not provide for sustainable integrated care or safe and high-quality service provision.
 - The initial risk score was 25 and this score was not reduced throughout the year. The risk description, controls and assurances were kept regularly updated throughout the year to ensure the risk reflected the current situation for the Trust.
- Major and sustained failure of essential IT systems due to a cyber-attack.
 - This risk was developed by the Chief Information Officer recognising the importance of maintaining appropriate cyber controls and technology in

line with investment in systems and infrastructure, the skills and/or capacity of staff or service providers, end user culture regarding cyber security and IT systems use and contract management. The initial risk score was 20, the current risk score 15 and a target risk score of 10 was identified in April 2020.

- This risk was also increased following the review of the impact of the pandemic. Factors such as the increase of staff working from home resulted in the Board agreeing to increase the risk score (likelihood increased by 1 to 4 making the risk score 20).
- The Trust's current clinical records system (paper and Electronic) are sub-optimal.
 - Despite a significant amount of progress being made to progress the Trust's clinical records system due to the current legacy nature of clinical systems, resulting in lack of integration of patient records and clinical information, the risk score was maintained at 20 throughout the year.
- There is a risk that the Trust will not deliver a breakeven position or have sufficient cash resources in the 2020/21 financial year.
 - This risk was added at the beginning of 2020/21 due to the following factors: lack of contractual income position due to the COVID-19 pandemic, gap in baseline position and block payment compared to actual activity and cost, risk to CIP and income streams, timing of recovery and uncertainty over future regime. This risk opened with a score of 16 and was increased in the second half of the year to 20 once it became clear that a deficit position would be reported due to the reduction in 'top up' payments compared to the first half of the year.
- An 'umbrella' COVID-19 BAF risk was drafted and following consideration by the Board's sub-committees in April 2020, it was approved by the Board in May 2020. It was agreed to develop a single BAF risk to provide a clear line-of-sight of the key risks, assurances and controls. The key risks the Trust identified related to; ensuring that 'business as usual' standards are retained, ensuring that robust recovery plans are in place and maintaining controls with regards to cyber-security and identifying fraud. Whilst an 'umbrella' BAF risk was agreed, there was acknowledgment that the COVID-19 pandemic would impact all Trust operations and therefore the interdependencies of risks across the whole BAF tracked throughout the year.

Progress has been made throughout 2020/21 to utilise the BAF as a dynamic tool to inform the agendas and areas of focus by the Board and its Committees. Positive assurances regarding the BAF and its underlying processes have also been provided by a recent MIAA review. A proposed next step is to reduce the frequency of BAF reports at the Board and Committees from monthly to quarterly but increase the amount of time allocated to discussions. This will help to ensure that that upcoming

assurance reports are providing an adequate response against identified gaps in control or assurance. It is planned that Committees will also be provided oversight of the relationships between the Trust's Corporate Risk Register and the BAF.

With the Trust updating its Corporate Strategy and agreeing ten 'strategic aims' as part of this, there is an opportunity to reframe the BAF as the Trust moves forward to 2021/22 to reflect the risks to these strategic aims. Part of this re-framing is intended to separate the BAF from the risk escalation process so that it is not considered as a risk register for the most serious risks but rather as a tool to assist the Board in understanding the most significant risks to its strategic aims. This will likely be a subtle and nuanced change to the current format but one that is hoped to continue to strengthen the BAF to align with best practice.

COVID-19 Governance

In the context of COVID-19 pandemic the governance of the organisation has needed to be agile. There has also needed to be clarity on 'changed' roles and responsibilities, decision making, communication and record keeping. In essence, who needs to be involved in what, how this can be done efficiently and effectively and how best to communicate and maintain records.

Strategic governance

To ensure that the Trust's governance structures could continue to operate, it was vital to implement the capacity to hold virtual meetings. The Trust saw the rapid introduction of software that has allowed meetings to be conducted virtually throughout the organisation. This was done to stop the number of physical interactions and therefore contribute to the potential reduction in spread of COVID-19. Despite being 'virtual', meetings have continued as scheduled and there have been no cancelled or deferred corporate governance meetings due to the COVID-19 pandemic. Attempts have been made to streamline agendas, but this has mainly been facilitated through the adoption of a consent agenda rather than removing items.

A key challenge since the beginning of the pandemic was the collation and socialisation of a significant amount of information and guidance from various sources. Requests were also being made of the Trust to provide information to local, regional and national systems. The Board took steps to ensure that a robust governance structure was implemented to provide a co-ordinated response to information being received and that was sufficiently agile for timely yet robust decision-making. The structure supports the Trust in managing the day-to-day demands whilst also remaining sighted on wider, strategic considerations.

Several additional operational meetings were put into place for the duration of the pandemic. The frequency of these meetings flexed as required.

- Daily Incident Command: This group is executive led and responds to daily operational incidents as they arise and also horizon scans future operational

issues. It receives information via the daily safety huddles. The group is responsible for all external reporting.

- Clinical Advisory Group: Senior Clinical leads work together with nursing and midwifery leads to provide safe services to our patients and to comment on potential clinical developments as proposed.
- Oversight and Scrutiny Group: This meeting receives information from daily operational updates but also considers other strategic matters. Regular agenda items include:
 - Escalations from Cheshire and Mersey Command and Control
 - Head of Governance Update
 - Escalation from Internal Incident Command
 - IPC Update and Escalation
 - Update from Medical Director
 - Update on Communications

The Group also utilises a decision log to track decisions taken and whether these remain 'live' or superseded.

Clinical Governance

The Trust continued to closely monitor performance reports, despite the information not being externally reported at various times. This was to identify whether 'business as usual' performance was deviating from expected standards. Other key regulatory requirements such as 7-day services and CNST were tracked and reported despite external requirements being deferred.

Financial Governance

The Trust closely monitored expenditure related to the pandemic and ensured that this was presented separately to the Finance, Performance & Business Development Committee and Board for tracking and oversight. CIP reporting continued although it was not a requirement of the Trust. The Trust's Cost Improvement Programme (CIP) achieved just over £2m (1.6% of turnover) out of the original £3.7m plan. Many schemes were worked up prior to the commencement of the financial year and so had continued. All CIP schemes which had been put in place were subject to Quality Impact Assessment and Equality Impact Assessment.

Human Resources Governance

The Trust's pre-COVID-19 workforce processes were maintained. A Memorandum of Understanding across the Cheshire and Merseyside region was signed at the beginning of the pandemic regarding the sharing of staff resources when appropriate.

The challenges and uncertainties of the COVID-19 situation presented a number of challenges for the workforce and staff in all areas, clinical and non-clinical, have

responded positively to these challenges and provided high standards of care to the women and families of Liverpool and beyond.

Keeping staff protected and well was the organisation's priority. On site 7 day per week PCR testing for staff or household members with symptoms was established early on in the pandemic and continues to date, and an asymptomatic staff testing programme was also delivered. A robust programme of fit mask testing took place throughout the pandemic and there were no issues with PPE supply, with alternatives being provided in the event a piece of kit was unavailable.

In terms of redeployment, no staff from LWH were deployed to work elsewhere however a number of staff took on different roles within the Trust, including staffing the front entrances. Nursing and support staff provided care for the cohort of ladies who came from LUHFT. Third year nursing and midwifery students were deployed into the organisation as Band 4's to support the teams in maternity, gynaecology and neonatal. The Trust employed two retirees from the national pool, one in gynaecology and one in the resuscitation training team. Medical students were also deployed as HCAs via fixed term contracts.

The Trust was fully compliant with the requirement to risk assess staff, firstly risk assessing 100% of BAME staff and then the remainder of the workforce with risk assessments undertaken in line with guidelines from the Society of Occupational Medicine. High risk staff were re-deployed to lower risk areas or worked from home. Staff who were absent due to shielding were given full support to re-integrate into the workplace. Absence levels remained a challenge throughout the COVID-19 period, at its peak absence, inclusive of sickness and 'special leave' due to self-isolation, was in excess of 13%. Whilst this presented challenges to staff, particularly as the specialist nature of many of our services mean we are reliant on our own staff to undertake bank shifts, quality of care was not compromised. Staff were supported through this period with free car parking, free food, walkabouts from staff supporters and mental health first aiders, access to quiet spaces for rest and relaxation, introduction of Schwartz rounds, access to the C&M Resilience Hub, peer support circles were set up for line managers and resilience sessions across the Trust focused on front-line staff.

Regarding terms and conditions, we have taken a supportive and flexible approach where possible including extending our carer's leave provision to 7 days and offering the opportunity for staff to sell annual leave as well as carry over increased annual leave in line with national legislation.

System working and partnerships

Throughout most of 2020/21, the Trust operated under Cheshire and Merseyside Command and Control arrangements in line with the national emergency response requirements. The Trust played an active role in the Cheshire and Mersey Hospital Cell system recovery and reset work with appropriate offers of support to the system. Specifically, this was through regional support to Gynaecology Oncology, planning to increase the local diagnostic offer for the system and taking a leadership role in

decisions affecting women's services for the region. Support was also provided to Liverpool University Hospitals NHS Foundation Trust as a 'step down' facility and to provide breast surgery services and some colorectal surgery.

Other long-standing partnerships continued throughout the pandemic. This included a joint venture with Wrightington, Wigan and Leigh NHS Foundation Trust to provide fertility services and Alder Hey NHS Foundation Trust to provide the Liverpool Neonatal Partnership.

The Trust sees itself as a key partner in progressing a Cheshire and Merseyside Integrated Care System with the Chair and senior Executives involved in developing models of governance and service delivery.

Data Security Risks

Risks to data security are managed and controlled as part of our risk and control framework. The Trust is ISO 27001 certified which brings our information and data security under explicit management control. The Director of Finance, as Senior Information Risk Owner, is responsible for information governance, performance against which is monitored through the Finance Performance and Business Development Committee, which receives regular updates from the Trust's Information Governance Committee.

Well-led Framework

The Trust had planned to undertake an external review towards the end of 2019/20, in accordance with three-year cycle, and noted this intention in the Code of Governance section of the 2018/19 Annual Report. However, this plan was changed, primarily as a result of notification that the Trust would be subject to a Well-Led inspection by the Care Quality Commission, which was subsequently completed in January 2020.

The Board of Directors agreed an alternative approach based on completion of a comprehensive self-assessment against all elements of each of the eight KLOEs, with outcomes to be consolidated with any relevant outcomes from the CQC inspection to form a comprehensive Board-owned Well-Led development plan. The Trust's self-assessment was undertaken during the period January-March 2020 and outcomes were subsequently adopted by the Board in April 2020. The Board actively monitored progress against the resulting development plan and an external review was commissioned during the year, commencing in January 2021 by Grant Thornton. Feedback was provided to a Board development session in April 2021 and the final report will be considered in July 2021.

The independent review confirmed that there were no material governance concerns and a number of areas of good practice were noted, particularly:

- The Trust is focussed on quality and sustainability and this features in meetings throughout the levels of the organisation

- The data and information available to Divisions is of good quality and used to guide operational performance conversations at Divisional meetings and performance reviews, providing a 'golden thread' between Divisions and the Board
- The Trust has many examples of how it has worked extensively with its partners on the delivery of its services

Some areas for further work and opportunities for improvement were also highlighted, which the Board of Directors has acknowledged, and these are the subject of an Action Plan which will be progressed throughout 2021/22. Examples include:

- Ensuring that best practice is shared between the respective Divisions to work towards a maturity level parity.
- The need to ensure that a documented Quality Improvement Methodology is in place
- Learning from serious incidents is an area that requires strengthening.

Compliance with the NHS foundation trust condition 4 (FT governance)

The Trust has in place a governance structure to support compliance with the NHS foundation trust condition 4(8)(b) (Foundation Trust governance). Over the year under review the year the Trust's Board of Directors comprised of eight Non-Executive Directors including the Chair and six Executive Directors including the Chief Executive. Details of the composition of the Board and changes made during the year can be found in section 3i – Accountability Report, Directors Report. The Board has not identified any significant risks to compliance with provider licence condition FT4. This condition covers the effectiveness of governance structures, the responsibilities of directors and committees, the reporting lines and accountabilities between the Board, its Committees and the Executive Team. The Board is satisfied with the timeliness and accuracy of information to assess risks to compliance with the foundation trust's licence and the degree of rigour of oversight it has over performance.

The Board of Directors is responsible for determining the Trust's strategy and business plans, budget, policies, accountability, audit and monitoring arrangements, regulation and control arrangements, senior appointments and dismissal arrangements and approval of the Trust's annual report and accounts. It acts in accordance with the requirements of its terms of its provider license as a Foundation Trust.

Assurance committees:

- ❖ The Audit Committee is responsible for providing assurance to the Board of Directors in respect of the process for the Trust's system of internal control by means of independent and objective review of corporate governance and risk management arrangements, including compliance with laws, guidance and regulations governing the NHS. In addition, it has responsibility to maintain an oversight of the Trust's general risk management structures, processes and responsibilities.

- ❖ The Finance, Performance and Business Development Committee is responsible for providing information and making recommendations to the Board of Directors in respect of financial and operational performance issues and for providing assurance that these are being managed safely. The Committee maintains an overview of the strategic business environment in which the Trust is operating and identifies strategic business and financial risks and opportunities. The Committee considers any relevant risks within the Board Assurance Framework and corporate risk register as they relate to the remit of the committee, as part of the reporting requirements. It reports any areas of significant concern to the Board of Directors and/or Audit Committee as appropriate.
- ❖ The Quality Committee is responsible for providing the Board of Directors with assurance on aspects of quality in respect of clinical care and research and development issues, and for regulatory standards of quality and safety. The committee considers any relevant risks within the Board Assurance Framework and corporate risk register as they relate to the remit of the committee, as part of the reporting requirements. It reports any areas of significant concern to the Board of Directors and/or Audit Committee as appropriate.
- ❖ The Putting People First Committee is responsible for providing the Board of Directors with assurance on all aspects of governance systems and risks related to the Trust's workforce, and regulatory standards for human resources. The committee considers any relevant risks within the Board Assurance Framework and corporate risk register as they relate to the remit of the committee, as part of the reporting requirements. It reports any areas of significant concern to the Board of Directors and/or Audit Committee as appropriate.
- ❖ The Nomination and Remuneration Committee has two responsibilities: it oversees the recruitment and selection of the Chief Executive and executive directors and reviews the structure, size and composition of the executive management team on the Board of Directors; and determines the remuneration, terms of service and other contractual arrangements relating to the Chief Executive and executive directors. The Committee is also responsible for succession planning in respect of executive appointments and for any disciplinary or termination matters relating to the executive management team.

Each assurance committee is chaired by a Non-Executive Director and has terms of reference setting out its duties and authority, including matters delegated to it by the Board of Directors. Membership of the Audit Committee and Nomination and Remuneration Committee comprise solely of Non-Executive Directors.

The Board reviews its effectiveness at each meeting and on an annual basis. Each assurance committee reviews its effectiveness at the conclusion of each year and prepares an annual report setting out how it has fulfilled its terms of reference. Committee annual reports are submitted to the Board for review and approval. The Audit Committee reviews its effectiveness with input from the Trust's internal and external auditors. Each assurance committee routinely receives Chair's Reports of meetings held by its subordinate committees / groups.

Directors' responsibilities are set out in their job descriptions in which reporting lines and accountabilities are identified. The Chair leads the Board of Directors and Council of Governors and ensures the Board develops vision, strategies and clear objectives whilst ensuring it understands its own accountability for governing the Trust. The Chair provides visible leadership in developing a healthy culture for the organisation and ensures this is reflected and modelled in the individual directors own and the Board's behaviour and decision making.

Non-executive directors are responsible for bringing independence, external perspective, skills and challenge to strategy development. They hold the executive directors to account for the delivery of the Trust's strategy, offer purposeful, constructive scrutiny and challenge, and chair or participate as members of the assurance committees that support accountability. Non-executive directors are held to account individually and collectively by the Council of Governors for the effectiveness of the collective board. They seek to actively support and promote a healthy culture for the organisation and reflect this in their own behaviour whilst providing visible leadership in developing a healthy culture so that staff believe they provide a safe point of access to the Board for raising concerns.

The Chief Executive is responsible for leading the strategy development process and delivery of the strategy and acts as the Trust's accountable officer in the establishment of effective performance management arrangements and controls. As Chief Executive I seek to provide visible leadership in developing a healthy culture for the organisation and ensure that this is reflected in my own and the executive directors' behaviour and decision making. The executive directors take a lead role in developing strategic proposals, leading the implementation of strategy within functional areas and managing performance within their areas of responsibility. They seek to actively support and promote a positive culture for the organisation and reflect this in their own behaviours. Executive directors seek to nurture good leadership at all levels. All directors (executive and non-executive) operate as members of the unitary Board.

To assure itself of the validity of its annual governance statement required under NHS FT Condition 4 the Board of Directors receives the annual Corporate Governance Statement aligned with the year-end sign off process.

The Board receives the latest up to date information in respect of the Trust's performance. Reports focus on exceptions to target performance and executive directors outline improvement plans and mitigating actions. Three of the Board's committees (Finance, Performance and Business Development Committee, Quality Committee, and Putting People First Committee) routinely review aspects of the Trust's performance in accordance with the terms of reference approved by the Board.

The Trust is able to assure itself of the validity of its Annual Governance Statement by referring to the Board's self-assessment against the NHSI Well-Led Framework (and the emerging findings from the external review), the annual reports of assurance committees, reports of its internal and external auditors and reviews of the Trust's performance and compliance against national and local standards.

Embedding Risk Management

Risk management is embedded in the activity of the Trust in a variety of ways. The agenda for all meetings, from the Board through its integrated governance structure, include an item to consider whether any new risks have been identified during discussions. Where new risks are identified, mitigation is considered and agreed and where appropriate an entry is made to the Trust's risk register. Each meeting would also consider whether a known risk had changed in any way and the risk register or Board Assurance Framework would then be updated accordingly.

As noted above, the Trust's CIP includes a process of quality impact assessment (QIA) and equality impact assessment (EIA). These assessments must be jointly approved by the Medical Director and Director of Nursing and Midwifery with a confirmation that the CIP scheme will not have a negative impact on patient safety and quality. The Trust also performs post-implementation reviews of CIP schemes in accordance with best practice, the results of which are reported to Finance, Performance and Business Development Committee. All Trust policy documents go through a streamlined and robust approvals process which ensures appropriate standardisation of documentation, including completion of equality impact assessments.

Involvement of public stakeholders

Public stakeholders are involved in managing risks which impact on them in a number of ways. Liverpool Clinical Commissioning Group (CCG) is involved through the monthly clinical performance and quality review meeting held with them and which is chaired by the CCG. This meeting is used to discuss the Trust's contract and quality performance and to identify any concerns which may become risks. The Trust also makes the CCG aware of risks during this meeting. Our local Healthwatch is involved by alerting the Trust to issues of concern put to them by their members relating to our services, which we consider and define as risks where appropriate. Other local NHS providers are also involved through a mutual exchange of intelligence and a commitment to addressing risks, for example through the development of patient pathways. Our Council of Governors plays an active role in representing the interests of those the Trust serves and holding the non-executive directors and therefore the Board to account for the services provided by the Trust.

Patients continue to be involved in the risk management process in several ways. A patient story is told at the beginning of each meeting of the Board of Directors, sometimes: by the patient in person (not during the pandemic); via a video; audio recording; or on the patients' behalf by the Director of Nursing and Midwifery or a clinical member of Trust staff. Organisational learning from each story told is identified and actions taken are reported to the Board to disseminate across the Trust for learning. The Trust also considers complaints, litigation and PALS (Patient Advice and Liaison Service) feedback as important indicators of quality. The Board committees receive reports detailing this feedback. Members of the public were also supported in virtually attending the Trust's Board meetings from September 2020 onwards in which questions could be directed to Board members.

During the year the Trust held a series of ‘walkrounds’ where staff could meet and speak in person with an Executive Director. Whilst Non-Executive Directors could not physically undertake ‘walkrounds’, virtual sessions were held with specific staff groups or via open invitation to hear about key issues and/or concerns.

Workforce Strategies

The Trust has in place an overarching people strategy – “Putting People First” - driving focus and delivery in a number of areas - workforce planning, retention, equality, diversity and inclusion, health and wellbeing and leadership and succession planning. The successful delivery of these plans is critical to ensuring the mitigation of its workforce risks, particularly in relation to attracting, developing and retaining the best staff, especially in relation to the impact of national shortages of key staffing groups.

Workforce planning is an annual process reviewing current establishments and incorporating any known changes. Adhering to the principles of safe staffing, as defined in ‘Developing workforce safeguards’ a combination of evidence-based tools and professional judgement are used to develop the workforce plan. Safe and appropriate rotas are then produced to ensure safe staffing in all areas. The annual workforce plan is approved by the Executives. The Board is informed and assured of progress and change throughout the year by regular Board level reporting.

Policies and processes are in place to allow any concerns in relation to safe staffing to be raised, including the exception reporting process for junior doctors, grievance processes and via Freedom to Speak Up Guardians if necessary.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer’s contributions and payments into the Scheme are in accordance with Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation’s obligations under equality, diversity and human rights legislation are complied with.

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.

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 the Adaptation Reporting requirements are complied with.

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

As Accounting Officer, I am responsible for ensuring that the organisation has arrangements in place for securing value for money in the use of its resources.

For 2020/21, the Trust was not required to submit an Operational Plan due to the COVID-19 pandemic. However, the Trust Board approved a draft Operational Plan in March 2020 and utilised this document as a baseline from which to monitor performance during the year. The Trust's Council of Governors received a presentation on the plan and contributed to its development. Reports on performance against the plan were presented to the Board of Directors and Council of Governors during the year. Looking forward to 2021/22, whilst operational and financial planning guidance is not expected to be finalised until later in Quarter One, the Board (after detailed consideration by the FPBD Committee), approved an interim budget at a meeting on 1 April 2021. It is expected that this budget position will continue to be updated as the year progresses, and further detail is available to the Trust.

The Audit Committee commissions reports on specific issues relating to economy, efficiency and effectiveness through the internal audit plan. Implementation of recommendations is overseen by the Audit Committee and executive directors.

The Board and the FPBD Committee review the financial position of the Trust through its financial performance report. This provides integrated information on financial performance, including the achievement of efficiency targets and other performance measures. There is a scheme of delegation in place.

The Trust has in place a number of arrangements with third party providers, most notably Liverpool University Hospitals NHS Foundation Trust (LUHFT). LUHFT provide services including clinical support such as pathology and blood products and also non-clinical services including recruitment. The Trust's payroll is provided by St Helen's & Knowsley NHS Trust. Other services are provided by Alder Hey NHS Foundation Trust and other organisations. These relationships are managed through regular meetings and contract management processes.

Information Governance

The defining feature of the 2020/2021 financial year was the impact that the COVID-19 healthcare emergency had on almost every area of the Trust. As well as affecting the operations of the Trust, the COVID-19 emergency also changed the compliance external reporting requirements to which the Trust must operate, which was most evident in the relaxing of some reporting deadlines. Ordinarily, all trusts are required to submit their end of year Data Security and Protection (DSP) Toolkit position at the end of March each year but the effects of COVID-19 meant that the normal end of year deadline was moved from the end of March 2021 to the end of June 2021. Because of this, at the time of writing, the Trust did not have an end of year DSP Toolkit submitted position. The Trust though is, as always, operating with an expectation that the submitted position that will be made in June 2021, will be "Standards Met".

In November 2020 the Trust was subject to an independent readiness audit, which was not intended to give an actual assurance opinion but instead provide an indicative opinion on whether the Trust's Information Governance processes were operating effectively. There were no issues raised by the audit that would suggest the Trust's Information Governance processes and arrangements were not operating effectively, which itself signalled that the Trust was well positioned in its overall aim to achieve "Standards Met" by the June 2021 submission deadline.

During 2020/2021 there were no incidents that required reporting to the Information Commissioner's Office (ICO).

Data quality and governance

The Trust monitors data quality through a regular Data Quality Sub-Committee that reports through the Information Governance Committee to the Finance, Performance and Business Development Committee and focusses on specific specialties to ensure regular representation from senior managers and clinicians. This provides a forum for digital and operational staff to discuss issues and key data items relating to their specialty. Regular data quality reports, validations and audits are undertaken to provide me with assurance that submitted data is representative of the Trust's activity.

During 2020/21, the Trust commissioned external audits with regards to Referral to Treatment (RTT) and Cancer Waiting Times (CWT). RTT accuracy was 97%, CWT 100%. Internal clinical coding audits undertaken by an approved clinical coding auditor continue to show high levels of accuracy in line with previous external audits and the Data Security & Protection Toolkit high assurance requirements.

The quality of performance information used across the Trust is assessed using a structured approach. All patient NHS numbers are checked and validated against national data on a weekly basis, patient level activity data is validated against plan on a monthly basis, including consistency checking across hospital/clinical patient record systems and a central data warehouse, and datasets are verified through two external sources. Our data is then further reviewed to compare against other providers to ensure our clinical performance is satisfactory or better using data provided via CHKS (an independent provider of healthcare benchmarking intelligence and for validation against national expectations using data provided by SUS (Secondary Uses Service) which is part of the NHS). Summary and data level reports are provided to our clinical divisions following a quality checking process to allow them to correct any errors and review data entry processes.

Performance reports are in place across meetings and committees and the Trust has implemented the use of statistical process control (SPC) charts across every KPI measuring both performance and the underlying data.

Review of effectiveness of internal control

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive

managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee; the Quality Committee; the clinical governance senates (safety senate, effectiveness senate and experience senate) and the Corporate Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system of internal control is in place. Most pertinently, this will involve adoption of a Governance and Performance Framework during 2021/22; the main aim of which is to provide enhanced clarity across the organisation regarding the Trust's performance and control systems and processes. Work will also progress to strengthen the quality governance processes that support the Trust's Quality Committee. This will involve merging the Safety and Effectiveness Senates and implementing a focussed Quality Improvement Group to support this meeting.

The Head of Internal Audit has provided me with a positive opinion on the overall adequacy and effectiveness of the organisation's system of internal control. The assurance framework in place provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives has been reviewed. The Head of Internal Audit has stated that in his opinion, that substantial assurance can be given that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. The overall opinion is underpinned by the work conducted through the risk based internal audit plan.

All recommendations from internal audit, external audit and the Local Counter Fraud Service are monitored by the Audit Committee. Tracking software is used to inform progress / outcomes and assurance reports to the Committee.

My review of effectiveness is also informed by reports and minutes from the Audit Committee, Quality Committee, Finance, Performance and Business Development Committee, Putting People First Committee, Clinical Governance Senates (safety senate, effectiveness senate and experience senate), Emergency Preparedness, Resilience and Response Committee and Infection Prevention and Control Committee. Other relevant assessments to which the Trust responds includes relevant CQC reviews, national confidential inquiries, reports from the Centre for Maternal and Child Enquiries and Ombudsman's reports.

In reviewing the system of internal control, I am fully aware of the roles and responsibilities of the following:

- ❖ The Board of Directors whose role is to provide active and visible leadership of the Trust within a framework of prudent and effective controls that enable risk to be assessed and effectively managed. The Board is collectively accountable for maintaining a sound system of internal control and is responsible for putting in

place arrangements for gaining assurance about the effectiveness of that overall system.

- ❖ The Audit Committee which, as part of our governance structure, is pivotal in advising the Board on the effectiveness of the system of internal control. This includes tracking the Trust's response to internal control weaknesses identified by internal audit.
- ❖ The Board's assurance committees namely the Quality Committee, Finance, Performance and Business Development Committee and Putting People First Committee, each of which provides strategic direction and assurance to the Board in respect of risk management.
- ❖ The Senates and Quality Committee that are instrumental in monitoring performance against agreed quality indicators.
- ❖ The programme of clinical audit in place which is designed to support the Trust's drive to improve quality. The programme is monitored by the Effectiveness Senate which reports to the Quality Committee.
- ❖ Internal audit provides regular reports to the Audit Committee as well as full reports to the Director of Finance and Executive Team. The Audit Committee also monitors action taken in respect of audit recommendations and the Director of Finance and Deputy Director of Finance meet regularly with the internal audit manager.
- ❖ External audit provides an annual audit letter and progress reports through the year to the Audit Committee.

The Trust's system of internal control has been particularly tested during the COVID-19 pandemic. Detail on this is outlined above in the COVID-19 Governance section. Overall, the Trust's Risk Management Strategy has proven to be fit-for-purpose through providing a mechanism for risks relating to COVID-19 to be identified and escalated appropriately.

NHS Improvement Enforcement Undertaking

Following an investigation in November 2015, NHS Improvement acknowledged that the Trust had taken steps to address its financial challenges however they wished to determine what additional support they could offer the Trust as it seeks to reduce its financial deficit and ensure long term sustainability. On 8 April 2016 NHS Improvement took action, under the license for providers, and the Trust entered into an enforcement undertaking which requires specific actions to be taken in order that the Trust can return to a sustainable position. The Trust continues to comply with the requirements of the enforcement undertaking and reports compliance through the governance structure. Representations are being made to NHSI/E to explore whether the undertaking remains necessary in the context of the Trust's response to date.

Board Leadership

There were several changes to the Executive and Senior Management Team during 2019/20. Due to an extended period of absence for Director of Nursing & Midwifery Caron Lappin, the Trust engaged the services of Gaynor Thomason as the Interim Director of Nursing & Midwifery from 31 March 2020. Gaynor stayed with the Trust until November 2020 as Caron retired at the end of August 2020. During a period of recruitment, Deputy Director of Nursing & Midwifery Janet Brennan became acting Director of Nursing & Midwifery from mid-November 2020 until 31 December 2020. Marie Forshaw joined the Trust from 1 January 2021 as the substantive Director of Nursing & Midwifery.

Medical Director, Dr Andrew Loughney left the Trust on 31 December 2020 and was replaced by Dr Lynn Greenhalgh from 1 January 2021.

The Trust undertakes an annual assessment of all directors to ensure that they continue to meet the requirement of the fit and proper person's regulation. This is in addition to the checks undertaken during the selection process.

Conclusion

The Board is committed to continuous improvement and the development of systems of internal control and the Trust has continued to make significant improvements to the system of internal control; the internal auditor's opinion provides that assurance. There are no significant control issues that have been identified.

A handwritten signature in cursive script that reads "Kathryn Thomson". The signature is written in black ink and is positioned to the left of a vertical line.

Kathryn Thomson
Chief Executive
10 June 2021

4. Quality Report

Quality Report Liverpool Women's NHS Foundation Trust 2020-2021



**The best people, giving the safest care,
providing outstanding experiences**



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Why publish a Quality Report?

The purpose of a Quality Report is to inform you, the public, about the quality of services delivered by Liverpool Women's NHS Foundation Trust. All providers of NHS Services in England are required to report annually on quality; the Quality Report enables us to demonstrate our commitment to continuous, evidence based quality improvement and to explain our progress to the public. The Quality Report forms an important part of the Trust's Annual Report. This is the Trust's 10th Quality Report.



Part 1

Statement from the Chief Executive



Welcome to Liverpool Women's NHS Foundation Trust's 10th annual Quality Report. This provides an opportunity for us to report on the quality of healthcare provided during 2020-2021, celebrate our achievements and to share with you the Trust's key priorities for quality in the next reporting year of 2021-22. This is a critically important document for us as it highlights our commitment to putting quality at the heart of everything we do.

By reporting to you annually through our Quality Report we demonstrate how the Trust has performed against the ambitious, specific targets we set ourselves each year. Clearly 2020/21 was not an 'ordinary' year and it has been hard to comprehend at times the extent to which the pandemic has dominated so much of our lives with so many people lost and a complete change to our way of life. That said, the response of our staff during this period has been astounding and the lengths that our teams have gone to, to keep not only our patients safe but those of the wider health system has been truly humbling.



As well as reporting on performance 2020/21, the Quality Report also identifies our priorities for the coming year. The Trust has produced a new Clinical and Quality Strategy for 2021-25 and this sets out a range of ambitious aims for the organisation.

Whilst acknowledging the significant challenges brought about by the pandemic, we do not accept that we should only target recovering back to pre-Covid-19 levels. During the year, the Trust has strengthened its approach to Quality Improvement (QI) and details of this and some of the projects undertaken during the year are outlined in the report.

I would also like to take this opportunity to discuss some of our quality highlights of 2020-21. Each of them is an initiative or piece of work that we have either led or been involved with over the past 12 months that will change the lives of patients and their families for the better:

- During the year, the Trust piloted the
- use of a 'da Vinci X Robot', a piece of advanced technology that allows the surgeon to perform robotic assisted surgery with impeccable precision.
- The Trust and Alder Hey have been using new and innovative telemedicine robots to ensure that babies are provided with the best possible care without the clinician being in the room.
- The Safeguarding Team was shortlisted for a 'Learning Disabilities Initiative of the Year' award at this year's HSJ Patient Safety Awards, recognising their outstanding contribution to healthcare

Following our CQC inspection in December 2019 and the Well Led element in February 2020 (where the Trust was rated 'Good' overall), good progress has been made throughout the year to track and implement the necessary actions identified to make improvements to our services.

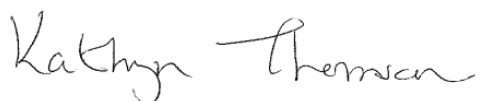
We continue to work hard to develop plans for the long-term future of our services. This started with our Future Generations Strategy in 2015 and has continued through our work with Liverpool CCG

and other stakeholders as part of the One Liverpool strategy. Whilst co-location on an acute site remains the Trust's long-term priority for the safety and sustainability of our services, the Trust was successful in securing £6.5m Capital Financing in order to address some of the clinical challenges on the Crown Street site. During the year, Interserve also handed over the redevelopment of our Neonatal Unit to provide a safer and better environment for babies, families, and staff.

Whilst this has been a challenging year, I have never been more proud of our staff and their efforts to lead an organisation where our people have a clear focus on providing safe and effective healthcare, delivered in a friendly and caring environment. We expect 2021/22 to continue to present challenges, and it will be more important than ever for the organisation to be a strong voice for the health of women, babies and their families, particularly in light of the findings from the Ockenden Report.

I encourage you to read the report in full and to see the range of measures that are in place to continually improve and sustain quality by reducing harm, reducing mortality and improving the experiences of our patients and families.

In making this statement I can confirm that, to the best of my knowledge, the information contained in this Quality Report is accurate and there are no concerns regarding the quality of relevant health services that we provide or sub-contract.

A handwritten signature in black ink that reads "Kathryn Thomson". The signature is written in a cursive, flowing style.

Kathryn Thomson
Chief Executive



Liverpool Women's

AMBULANCE

EMERGENCY AMBULANCE

North West Ambulance Service
NHS Trust

DK09 GAX

EMERGENCY

Novel Coronavirus (Covid-19) Pandemic: Implications on Quality of Care

In March 2020 a Global pandemic was declared in relation to Novel Coronavirus (Covid-19), which has last over 12 months with the UK experiencing 3 waves of infections, this had had significant effect on most aspects of life in the UK and all aspects of healthcare. For some NHS Trusts, providing treatment for acute Covid-19 presentations is the focus whereas for others such as Liverpool Women's NHS FT (LWH), it is a matter of dealing with the many significant direct and indirect consequences of the pandemic. In this high level summary, the challenges which LWH faced are described together with the Trust's responses on behalf of its patients.

Mandated suspension versus continuation of workstreams

LWH has a limited clinical portfolio but provides tertiary level care in each of its specialties. The suspension or continuation of services has been mandated by NHSE on a specialty by specialty basis since the pandemic's arrival in the UK, as follows:

- Maternity – continuation of all aspects of high and low risk care but with altered pathways of care
- Neonatology – continuation of all aspects of care
- Gynaecological Cancers – continuation of services but with altered pathways of care and postponed investigations and treatment if no likely physical impact upon outcomes
- Acute Gynaecology – continuation of all aspects of care
- Benign non-acute gynaecology – suspension of services requiring review in person
- Fertility – suspension of services other than on-going maintenance of laboratory facilities
- Termination of Pregnancy – continuation of all aspects of care but with altered pathways of care
- Genetics / Genomics – suspension of services requiring review in person
- Anaesthetics – key supporting role switching away from elective towards acute care provision.
- Continued workstreams – altering the working model to keep patients and staff safe

The risk of patients and staff passing the coronavirus on to one another was and continues to be reduced by an incremental increase in the use of personal protective equipment (PPE) in the Trust in keeping with national guidance from Public Health England and under the guidance of the Trust's own Director of Infection Prevention and Control (DIPC). The availability of PPE was been an area of focus for the Trust and nationally, but throughout the pandemic and to date all necessary equipment has been available at its point of need. The Trust remains vigilant in this respect. Oversight is provided at the Trust's Command and Control meetings which were daily but in later part of 2020-21 has moved to biweekly and weekly.

The requirement for rigorous PPE usage provided obstacles to rapid clinical response in hyper-acute scenarios such a category one caesarean section (common at LWH) and cardiac arrest (uncommon at LWH). A systematic increased in the use of clinical drills was therefore been implemented across the Trust, led by the Trust's clinical and resuscitation leads.

With the suspension of several benign workstreams, some staff members were released from their usual duties and have therefore been able to support other clinical areas in the Trust. This has

been important because Covid-related staff absences on clinical rotas had to be covered if acute care was to be provided at normal safe standards. All medical, nursing and midwifery rotas were covered successfully without compromising clinical care throughout the pandemic.

The reduction in some clinical services previously described allowed for the formation of resilience rotas in obstetrics, gynaecology and anaesthetics, giving greater (direct) clinical support and (indirect) psychological support to medical trainees, nursing staff and midwives in those specialties. In obstetrics and anaesthetics, consultant presence on-site has been provided on a 24/7 basis throughout and in gynaecology, a split consultant rota has allowed for a significant increase in the presence of consultant gynaecologists in the Gynaecology Emergency Department.

Suspended work streams – vigilance for harm

The key areas requiring vigilance for harm have been those subject to suspension including some parts of the gynaecological cancer service and all of the non-acute benign gynaecological services. To maintain safety a number of new measures have been introduced:

- Consultant Gynaecologists were available by video link to GPs for advice and guidance
- All suspended cases at potential risk of harm were and continue to be reviewed on paper by consultant gynaecologists
- Women at risk of clinically significant deterioration were and continue to be are contacted for review by a consultant
- If the level of risk is increasing, a proposal for review and / or surgery is put to CAG (see below)
- If surgery is agreed by CAG on clinical grounds, liaison takes place with anaesthetics and theatres

The clinical criteria for surgical intervention include the development of severe pain uncontrollable by other means, the advent of bleeding requiring blood transfusion which is uncontrollable by other means and / or an increased risk of a malignancy developing in a pre-malignant condition.

No harm has been detected in women being cared for in the Trust's suspended services throughout the pandemic and this remains an area of focus.

Performance

The Trust continued to monitor all key aspects of its performance despite the suspension of some of its services and despite the unique pressures of the pandemic. Performance has continued to be reported separately to the Quality Committee and the Clinical Commissioning Group.

Incident Reporting

A fall in the overall incident reporting rates on Ulysses was noted during the pandemic. A full review was completed which identified that this was probably due to the reduced numbers of staff, visitors and patient on site and that the types of incidents by percentage had not dropped. It was therefore indicated that there had been no risk identified in relation to the reduction in the number of incidents being reported. Data concerning incident reporting, serious incidents and never events are provided to the Quality Committee under separate cover.

Covid-19 Infection Prevention and Control (IPC) Assurance Framework

An NHSE IPC Covid-19 board assurance framework (BAF) was completed by the Trust on five occasions and updates provided to NHSE/I and the CCG. The IPC BAF was also presented to the

Trust Board and Quality Committee as part of the assurance mechanisms around Covid-19 Pandemic.

Workforce Issues

The national response to Covid-19 generated multiple workforce issues including the need:

- to risk assess staff who may be at increased risk of contracting the disease
- to risk assess staff who are more likely to have a poor outcome if they become infected
- to offer swab testing for symptomatic staff and their household members
- potentially to offer swab testing for asymptomatic staff as a screening tool
- to minimise the risk of staff contracting the disease
- to respond in line with all national directives.

The oversight of workforce issues was provided through the Trust's Putting People First Committee so no additional detail is provided in this report.

Governance

A governance structure was created in the Trust at the outset of the pandemic to ensure that an optimal response was provided to the challenges ahead. The system's structure remains intact although the frequency of meetings (other than Command and Control) has reduced slightly as the pace of change has reduced.

At the time of this report a Covid-19 Oversight & Scrutiny Group meets monthly having moved from twice weekly initially, then to weekly and fortnightly, but has maintained its role as Covid-specific capacity throughout to provide oversight and to consider material discussed at regional and national forums of relevance to Covid-19. It informs and assures the Trust's Executive Team and Board of Directors.

Command and Control met daily to note and ensure the enactment of externally mandated changes to service, but has moved gradually to once a week. It is the key operational group which reports into the Oversight & Scrutiny Group.

The Clinical Advisory Group at the time of this report has been suspended, only meeting when required, having moved from daily (7days a week) to three times week and then to weekly. The role remained to provide clinical advice and interpretation and to assist with the enactment of changes to service. Its advice is considered by both the Executive Group and Command and Control.

The daily safety huddle predates Covid-19. It takes place daily, shortly before the Command and Control meeting, and is an effective forum for the provision of clinically and operationally relevant information, for the dissemination of information and for the enactment of change.

Throughout the pandemic and the challenges faced by the organisation and its staff at all levels the Trust has worked hard to maintain the safety of all by means of strict process, procedures and policies which were regularly audited and via the close working of the command and control group and the divisions and corporate services the Trust has not seen a single case of hospital acquired Covid-19.

Listening to Patient and Families during Covid-19

During Covid-19 in 2020 LWH gathered feedback during Covid 19 from patient and families by using social media; overall the feedback was really positive. The Head of Audit, Effectiveness and Experience created a video that was shared via social media which asked for feedback. By mid-May this had approximately 4K views. Feedback was placed on the website and emails were also sent directly to the Patient Experience Team as a result of this. There were also phone calls made to the patient experience team discussing the excellent experience that our ladies had during the pandemic.

Not all positive but overall lots of positive amazing feedback, below are some of the not so positive feedback.

- Patient concerned about lack of social distancing at the hospital site, in particular around the front entrance, and security not wearing masks.
- Patient contacted the Trust as her Gynaecology appointment had been cancelled and she was upset that an alternative date had not been given yet.

There were various concerns relating to the visiting restrictions put in place. The vast majority of these related to Maternity, either partners not being able to attend scans or partners not being able to be in attendance during induction of labour and visiting on the ward. Many of the issues relating to the concerns relating to attendance during labour were raised prior to the due date with mothers becoming anxious about not having this support available to them and feeling very vulnerable and were dealt with by the midwifery team.

Prior to coming into hospital anxieties have been quite high, with concerns and questions about the different process's that had been put in place across the Trust. Ladies attending for scans were concerned their partners would miss out on the bonding experience of the scan, especially as no amendment had been made to allow paternal recording or video calls to be made during the appointment. Maternity ladies who were due to deliver were concerned about the support they would have prior to being in established labour and when they were transferred to the ward where their partner could not be.

However, once in hospital and going through the procedures put in place, the feedback that we have had has been overall positive. The only area that concerns were raised about help and support was in Transitional Care as the mum's that were spoken too raised concerns about visiting being allowed for both parents on NICU but once transferred to transitional care then only the mum was allowed to stay. Some mum's said that they were in hospital quite a while so would have really appreciated the help from their partner or other member of the family. One lady on Gynaecology said that she does not like hospital food so would have normally asked relatives and visitors to bring her in some additional food that she does like so felt quite isolated when it came to what she could eat. This was escalated to the ward manager at the time.

Actions implemented in response

Walkabouts were initially on hold due to service restrictions relating to COVID-19 but on the 18th May 2020 the PEX team were able to get back out in the areas and talk to patients. The team began to attend the ward areas (Gynae Unit, Mat Base, Jeffcoate (if in use) and Neonatal and started to collect some valuable data. The staff were advised to be bare below the elbow, have no jewellery and regularly clean their hands between wards and areas within the wards. They also maintained the 2m distance guideline within the areas.

A survey was developed to identify how our women and patients felt with all of the changes that had been put in place as a result of COVID-19. The questions were chosen by the areas and are key in how this Trust goes forward into the new normal. In the first week of the survey and when this report was collated the results and responses are detailed in the main report.

As we all know this was a very difficult time for the women, patients and families who are accessing our services and we knew that they would have many concerns relating to coronavirus (Covid-19). To help support them to overcome some of the challenges that have impacted on Liverpool Women's services, such as the restricted visiting in place, we launched a dedicated Family Liaison Service to hopefully help make things a little easier.

The Family Liaison Service was put in place to address any concerns women, patients and families had before coming into hospital, as well as helping families and friends to keep in touch when they were separated.

The Family Liaison Service consists of members of our Patient Experience Team, who also have access to a number of clinicians who are on hand to provide any general advice, support and reassurance. There was a midwife who was shielding who offered her services to help with the queries that have come through. The Patient Experience Team found this support a fantastic help and the midwife in question was really responsive and was really impressed with the amount of work that goes on behind the scenes that she had not previously been exposed to.

On the 27th March 2020 NHS England and NHS Improvement recommended all Trust's to pause the NHS complaints process stating that due to the on-going COVID19 pandemic NHS England and NHS Improvement are supporting a system wide "pause" of the NHS complaints process which would allow all health care providers in all sectors to concentrate their efforts on the front-line duties and responsiveness to COVID-19.

On the 26 March 2020, the Parliamentary and Health Service Ombudsman stopped accepting new NHS complaints and has stopped work on open cases. LWH continued to work on the on-going complaints but all complainants were advised that there may be a delay to their original expected response date due to the availability and clinical commitments of other staff. All complainants were accepting of this and they have been kept regularly informed of the progress of their investigation. In reality we have been able to assign any new complaint and commence investigations as the members of staff needed have been available, but we have not committed to a specific response date with the complainant as we are aware the situation and availability may change rapidly.

PALS contact was restricted to telephone, letter and email queries only from 18/03/2020. The facility for people to discuss concerns Face to Face with the Patient Experience Officers was removed to help limit personal contact. This decision is reviewed on a regular basis and to ensure we are adhering to the latest guidance. Any requests from areas to attend and speak to members of the public are declined and they are directed to Telephone and email provisions.

Overall as a Trust we listened and acted upon a lot of the concerns raised and by putting different processes in place and introducing the Family Liaison Service we have hopefully helped in what could have been a really frightening time.

Part 2

Priorities for improvement and statements of assurance from the Board

Priorities for Improvement

The section of the report looks at the Trust’s quality priorities, how we have performed against them during 2020-2021 and how we plan to monitor progress during the coming year.

During 2020-21 whilst the new Liverpool Women’s NHS Foundation Trust Clinical and Quality Strategy was in development the Trust continued to ensure that the three key priorities from the 2017-2020 Quality Strategy remained at the centre of our work and development.

These priorities are a combination of national and local issues and wherever possible are identified by as wide a range of stakeholders as possible; this includes patients, their families, the wider public, our staff and commissioners. The Trust’s priorities can be summarised by our three goals: to reduce harm, reduce mortality and provide the best patient experience. The Trust priorities ensure that Safety, Effectiveness and Experience, set out by the Department of Health as the three central principles of quality healthcare, remain at the core of all activity at Liverpool Women’s.



Reduce Harm

Safety is of paramount importance to our patients and is the bottom line for Liverpool Women’s when it comes to what our services must be delivering.



Reduce Mortality

Effectiveness is providing the highest quality care, with world class outcomes whilst also being efficient and cost effective.



Provide the best Patient Experience

Our patients tell us that the **experience** they have of the treatment and care they receive on their journey through the NHS can be even more important to them than how clinically effective care has been.

Our Values	 Care	 Ambition	 Respect	 Engage	 Learn
Our Aims	To develop a well led, capable, motivated and entrepreneurial workforce.	To be ambitious and efficient and make best use of available	To deliver safe services.	To participate in high quality research to deliver the most effective outcomes.	To deliver the best possible experience for patients and staff.
Our Ambitions	We will be an outstanding employer.	We will deliver maximum efficiency in our services.	Our services will be the safest in the country.	Outcomes will be best in class.	Every patient will have an outstanding experience.

Quality Improvement Development during 2020/21

During 2020-21 whilst developing a new Clinical and Quality Strategy and dealing with the pandemic the Trust continued to develop our Quality Improvement process including staff training and the number of projects being initiated and completed as well as support service evaluations to identify where QI projects may be required.

The Trust Quality Improvement framework sets out our ambition to embed and encourage a quality culture to ensure that quality counts and that there are significant and continuous improvements to the quality of care we provide for our patients. We will do this through extensive quality improvement training opportunities for all members of the Trust and aligning the QI work to our strategic aims.

This will include supporting all nursing grades and clinical grades, to become champions for quality improvement, support nursing areas to engage and lead on QI projects to demonstrate and provide sustainable improvements.

Programme for delivery of training: Who will we train?/ Who did we train in 2020

All staff (clinical and non-clinical grades); we had made steady progress with rolling out the PDSA (PLAN, DO, STUDY, ACT) methodology during 2019 into 2020, when the Covid-19 pandemic hit, initially training face to face was stopped for a short period of time. However, we continued to extend our current programme to train as many staff in PDSA (PLAN, DO, STUDY, ACT) methodology, this included junior doctors at induction via Microsoft Teams platform.

All training was supported by an intranet page containing training packages, latest publications, frequently asked questions, lessons learnt, and themes of current and past QI projects was developed for all staff to access and went live end of June 2020.

Staff members involved in or leading QI projects

We prioritised training of staff involved in or leading QI projects in PDSA and other QI methodologies, all Matrons who were supported by the trust QI lead with one to one QI clinics to suit their needs.

Senior Leaders in the Trust

We have planned a programme for LEAN methodology and more intensive QI training for senior leaders in the organisation to commence later in 2021.

Board Members

Board training on QI will be delivered via annual Quality Assurance masterclasses through the provision of knowledge in relation to the basics of QI and the methodology used at LWH as well as bespoke sessions on key aspects of Qi or specific Qi projects which have been completed or are in progress at WLH.

Wider organisational QI

To prevent Qi becoming very nursing orientated the new Quality Improvement Group is chaired by the Deputy Medical Director and has medical representation for all clinical specialities and the Trust Quality Improvement Lead who can assist in identifying QI projects or elements of them which require non-clinical services input.

Shared learning

The Quality Improvement Lead will establish new and specific learning and sharing hubs dedicated to quality improvements; these will be on a number of levels to encourage learning within departmental teams, but also with colleagues across other departments and divisions.

The Quality Improvement Clinics commenced across the trust with Matrons and Clinical Effectiveness leads, to provide a platform for staff to discuss all matters relating to quality improvement.

For the coming year ahead the Quality Improvement Lead will be working with the key Executives to establish external links to various scientific networks and quality improvement teams external to Liverpool Women's, that will include experts from other industries to share their experiences of bringing about change and improvements that are sustainable and continuous, so that we can reach our ambition to be outstanding and continue as a place of excellence for both women's and babies health.

Examples of our success

Below are some examples of where the PDSA cycles has been used and the outcomes achieved.

Gynaecology Outpatients Department

Issue – Recurrent miscarriage blood tests errors

Plan - Why were the errors occurring?

- Handwriting of blood bottles
- Blood bottles not being inverted the correct amount of times to prevent clotting
- Lack of training or confidence with staff
- Different blood tests being ordered
- New coloured bottles to the monovette system

DO

- All actions were implemented
- A refresher training session was held for all staff
- Any new members of staff were allocated time with senior members of staff on blood clinic
- Huddles that took place during the 4 week period discussed the recurrent miscarriage bloods.
- Blood requests sent remotely, ID labels were printed at reception by the staff member who picks up the requests.

Study

- Analysis of the data took place, over the 4 week period, apart from staff off shielding, every member of staff had been provided with the information regards correct sampling for recurrent miscarriage bloods.
- Week 1 – 7 errors, Week 2 – 4 errors, Week 3 – 2 errors, Week 4 – 1 error.
- Further analysis of data has since shown, no errors over a 2 month period.

ACT

- The objective of the improvement project has been met.
- No further changes need to made, however, need to ensure any new staff members receive the correct training.

- ICE results continue to be checked on a daily basis that will highlight any errors. If errors start to occur again, it will then be investigated further.

Learning from PDSA project

- The implementation of this relatively small quality improvement project demonstrates how team work and dedication really works in achieving better outcomes.
- As a result of these small changes, women are not being asked to return for further tests that could cause upset and distress in already difficult circumstances.

Bedford Ward

Issue – Introduction of Manual Vacuum Aspiration Service

Plan: Why ? What is the objective ?

- CQC key lines of enquiry stated that services should be able to provide surgical termination without resort to general anaesthesia.
- Removes risk related to general Anaesthetic
- Wider suitability i.e. contraindications for GA
- RCOG and NICE guidance published in 2019 suggested the consideration of local and general anaesthesia or conscious sedation
- More cost effective than GA
- Release of Theatre time , allowing other services to utilise
- Competitors – MVA services already launched in a number of public and private sector organisations

DO

- Business case – Value creation identified
- Stakeholders identified – working group , Nursing team members , consultants , Finance, operations
- Networking forum arranged for Nursing staff
- Treatment rooms designed
- 5-6 Month timescale predicted for implementation to start
- Training – counselling, informed consent arranged

Study

- Plan commenced
- COVID 19 pandemic – relocation of unit
- Procured consumables
- Patient information created
- Staff training ongoing
- Continued study from working group to identify adjustments and prepare for next cycle

Act

- Staff involvement was important aspect of implementing the new service
- Staff were given the chance to contribute to ideas through regular meetings and were asked for ideas/input on a regular basis.
- Staff were kept up to date with change process at every stage through regular team meetings
- Staff participated in networking forum having the opportunity to meet with people from other Trusts to discuss the way their services were implemented
- Working group review of previous cycle
- Small changes required
- Impact of pandemic – reduced theatre slots for MVA

- Further environmental adjustments required , lighting etc.
- Honeysuckle team involvement/training
- Staff feedback

Learning

- Utilising both staff and patient feedback
- We now provide MVA service to patients who have miscarried when referred from the Gynaecology Emergency Department. This was launched in August 2020
- MVA has a success rate in missed and incomplete miscarriage of 98 – 99% Durbin Global (2019)
- Referral process developed between Bedford and GED staff and has been a smooth process and strengthened inter departmental relationship
- This has resulted in a reduction in patients requiring theatre slots supporting Covid-19 restrictions
- We currently provide this service every Thursday and will soon be increasing this to every Tuesday therefore MVA will be provided to patients at the Bedford Centre approximately 5 days a week
- Honeysuckle team are currently devising Feedback collection tool for patients who have had an MVA procedure following a miscarriage

Development of the LWH Clinical and Quality Strategy for 2020-2025

From the end of 2019 and through 2020 a challenging process of developing a new Clinical and Quality Strategy has been undertaken and completed. To support the strategies development a number of listening events with staff and the Trist governors were held as well as engagement meetings with the divisional triumvirates and clinical colleagues.

In the strategy we define quality to be made up three key components: Patient Safety, Clinical Effectiveness and Patient Experience. At Liverpool Women's, our vision is to become the recognised leader in healthcare for women, babies and their families. We have developed a set of ambitions aligned to our aims, which set the long term direction for our organisation; creating the momentum and mind-set we need to become outstanding in everything we do. Our ambitions help create an environment where we are constantly reaching for excellence and where continuous improvement in quality is always at the top of our agenda.

Our extensive engagement work in preparing this strategy culminated in the identification of a number of key priorities for delivering quality improvement in the first years of this strategy, moving us towards achieving our ambitions and realising our vision. We will regularly monitor, review and refresh where needed these priorities, to make sure we are still firmly on track to deliver outstanding care in all of our services, all of the time.

Our Core Focus

Listening to the views of our staff, patients and community was central to the development of this strategy. We asked what was most important to you, what you value most about Liverpool Women's and where you think our main focus for the future should be. All the groups we engaged with were clear and consistent in what they told us:

- Our people are our most important asset and our success hinges on getting this right. Therefore our first priority should be our people; making sure we have the best staff enabled to provide the best care.
- Safety is of paramount importance to everyone; staff and patients. Patients told us that each and every person they meet while using our services has a role in making them feel safe.

- Experiences in healthcare can be life-changing, and making sure that every patient has the best experience possible is equally important to our staff and the people using our services. We know that having the best people as part of our team is central to making sure this is achieved.

Each of our quality improvement priorities will have a detailed implementation plan with defined outcome measures to track progress.

The Quality Committee will regularly review progress against each priority. Our achievements will be reported through our annual Quality Report and we will evidence our progress through Clinical audits, patient feedback, clinical outcomes and mortality ratios. We will outline detailed plans for delivery of clinical priorities each year through our operational planning process.

Our performance against each clinical priority will be monitored through our divisional assurance processes. We will:

- Make sure every person working in each of our services understands how their role contributes to the delivery of our plans through the PDR process;
- Make sure each of our corporate divisions understands their role in supporting the clinical services to deliver these priorities for the benefit of patients;
- Identify the resource needed to deliver these priorities through our operational planning process;
- Review our strategy regularly to make sure we are responding to our environment appropriately; and
- Refresh our strategy and priorities where appropriate

Ongoing Quality Work during 2020-21

During 2020-2021 whilst the new 2020-2025 Clinical and Quality Strategy was being developed and approved, the Trust continued to focus on key areas which had been delivered in the 2017/2020 Quality Strategy. The aim was to ensure that there was continued monitoring and assurance in relation to key areas and if required intervention identified where compliance began to fall below expected levels. The key areas were: Reducing Mortality (adult and Paediatric), Learning from Deaths, Nice Quality Standards, Seven Day Service and Best Patient Experience.

Reducing Mortality

This section of the report on three main areas in relation to mortality and the Trust work to reduce this: Zero Direct Maternal Deaths, Zero unexpected deaths in women having gynaecological treatment, To deliver our risk adjusted neonatal mortality within 1% of the national Neonatal Mortality Rate and Learning from Deaths. Given the nature of the services we provide at Liverpool Women's, such as looking after the very premature babies born or transferred here and providing end of life care for cancer patients, we do see deaths, many of which are expected. However, our quality goal is to reduce mortality and improve best clinical outcomes wherever possible.

As is explained on the right, the use of HSMR is not appropriate for this organisation; as it excludes a large number of our deaths, using it may give false concern or reassurance. This has been considered very carefully by the Trust and we have committed to monitoring our mortality by focussing on each clinical area separately. We will record our mortality rates in those areas and benchmark against national standards.

Do you use the Hospital Standardised Mortality Rate (HSMR)?

The government uses a standardised measurement to calculate mortality across the NHS. This ratio, HSMR, compares a hospital's actual mortality rate to the mortality rate that would be expected given the characteristics of the patients treated. This is not a useful tool for Liverpool Women's since maternal deaths, stillbirths and neonatal deaths are all excluded.

To ensure effectiveness in the Trust is at the absolute forefront of practice, the Trust goes a step further than most other hospitals by ensuring that every case in which there is a death is reviewed individually so that any lessons regarding failures of care may be learned.

Our Priority **Zero Direct Maternal Deaths**
Effectiveness **Achieved in 2017-20 Strategy, achieved in 2020-21**

What we said we'd do A direct maternal death is one which is directly related to a complication of pregnancy (such as haemorrhage, pre-eclampsia or sepsis). We said we would keep this at zero level.

An adult mortality strategy was written and implemented in April 2017 and updated in April 2018 and January 2019. The strategy prioritises up to date guidelines and audit in order to reduce the risk of adult mortality. A process for reviewing all adult deaths, using an Adult Mortality Audit sheet which complies with recognised and validated methodology detailed in PRISM studies continued to be undertaken via the Trust Ulysses system.

A LeDeR policy remains in place. (**National Guidance on Learning from Deaths. National Quality Board (2017) Available at www.england.nhs.uk**) (Learning Disabilities Mortality Review (LeDeR) Programme (2017) Available at **www.bristol.ac.uk/sps/leder**)

The Quality Committee have continued to receive quarterly mortality reports and as part of the serious incident report HSIB cases are also identified. From February 2021 all HSIB cases have to be reported on StEIS in line with HSIB reporting criteria: any direct maternal death in the perinatal period (except suicide) will undergo a Health Safety Investigation Branch (HSIB) review. **<https://www.hsib.org.uk/maternity/>**

During 2020-21 the Trust has reported 11 (5 rejected) cases to HSIB and has continued to be fully involved and support of the investigation process.

What the data shows

No direct maternal deaths were recorded in 2020-21.

As well as assessing each individual case very closely, the Trust benchmarks using figures provided from MBRRACE-UK. The latest available MBRRACE-UK data shows a national rate of 9.2 direct maternal deaths per 100,000 of the population. 2019 (this report): Surveillance data on maternal deaths from 2015-17.

Direct Maternal Deaths			
2017-18	2018-19	2019-20	2020-21
0	0	0	0

Data Source: Hospital Episode Submission Data (HES)

What happens next?

The following has been included in the New Clinical and Quality Strategy for 20-25:

Improve Adult Mortality; Our isolation from other acute adult services at Liverpool Women's Hospital increases the risk to our adult patients in maternity and in gynaecology. It is vital that we maintain the highest possible quality of care at all times, across all of our medical, midwifery and nursing specialties. We will strive to achieve zero maternal deaths, zero unexpected deaths in women having gynaecological treatment and high quality care for women dying as an expected result of gynaecological cancer.

Our Priority Effectiveness

Zero unexpected deaths in women having gynaecological treatment
Archived in 2017-20 Strategy, not achieved in 2020-21

What we said we'd do

An unexpected death is one which is not related to an end of life condition or which occurs as a result of treatment received. We measure using HES data and report mortality rates to the Quality Committee.

All deaths within the hospital, whether cancer-related or not, are reviewed using the adult mortality tool to ensure the appropriate action was taken (see maternal death section above).

The Trust's Quality Committee and ultimately the Board have an overview of the delivery of this work. The Trust published an Adult Mortality Strategy in 2019.

This priority will continue to be reported in the Quality Report but will be reported under the redefined priority of Adult Mortality.

What the data shows

In 2020-21 there have been 2 unexpected death following Gynaecology treatment.

One in patient death and one following discharge.

No issues with care and treatment identified on review which directly contributed to the in-patients death.

The case relating to the post discharge at the time of the report being written is being investigated jointly with Liverpool University Hospital NHS Foundation Trust as a Serious Incident. All cases have been reported to the coroner and awaiting inquests.

There were 5 expected oncology deaths in hospital in Gynaecology in 2020-21 and 1 death not related to an end of life condition.

Data Source: Hospital Episode Submission Data (HES)

What happens next?

The following has been included in the New Clinical and Quality Strategy for 20-25:

Improve Adult Mortality; Our isolation from other acute adult services at Liverpool Women's Hospital increases the risk to our adult patients in maternity and in gynaecology. It is vital that we maintain the highest possible quality of care at all times, across all of our medical, midwifery and nursing specialties. We will strive to achieve zero maternal deaths, zero unexpected deaths in women having gynaecological treatment and high quality care for women dying as an expected result of gynaecological cancer.

Our Priority Effectiveness

To deliver our risk adjusted neonatal mortality within 1% of the national Neonatal Mortality Rate

Achieved in 2017-20 Strategy, not achieved in 2020-21

What we said we'd do

Neonatal mortality rate (NNMR) is accepted to be a useful indicator of the effectiveness of a perinatal healthcare system and two-thirds of infant deaths occur in the neonatal period (<28 days). The neonatal service at Liverpool Women's cares for one of the largest populations of preterm babies in the NHS and it is extremely important that survival of these babies is monitored to ensure that the quality of the care that we are providing is maintained.

We benchmark our mortality against the national NMR published from the Office of National Statistics, having committed to remaining within 1% of the NMR and reported to Effectiveness Senate. Furthermore, we benchmark against mortality data from VON (Vermont-Oxford Network), a collaborative network of neonatal care providers both nationally and internationally, which is committed to improving the quality of new-born infant care.

What the data shows

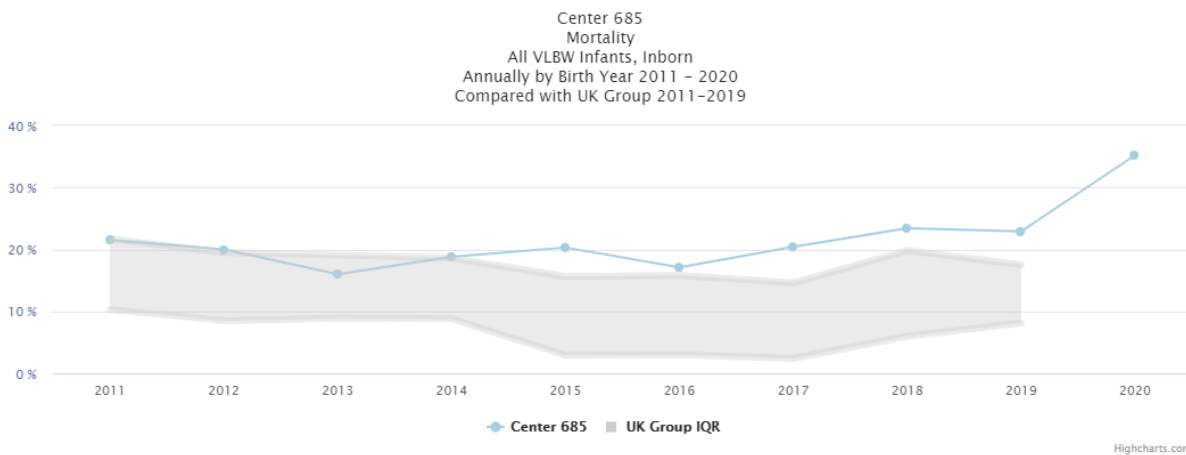
The most recent data from the ONS states a UK national NMR of 2.8/1000 live births (2018), in 2019/20 for babies both booked and delivered at LWH the neonatal mortality rate is 6.2/1000 livebirths. The rate is similar to the previous year and remains lower than the NNMR. If we include babies born in LWH following ante-natal transfer for specialist care, including extreme prematurity and congenital abnormalities, the mortality rate is higher at 3.8/1000 live births.

The latest available data (2020) from the VON network for all infants <1500g, born in Liverpool Women’s Hospital shows the mortality rate was 35%. Though this falls out with the interquartile range for units who participate in VON throughout the UK, it is notable that the data has not been adjusted to take account of the specialist care we provide. We are a regional referral centre for fetal medicine and neonatal intensive care, meaning we look after a large number of high-risk pregnancies. As a result, we would expect to have a higher mortality rate when compared with units that do not provide this same level of specialist care.

Data Source: Office for National Statistics (ONS), Vermont Oxford Network
 Note: NMR is calculated as the number of deaths per 1,000 live births

The 2020 increase is notable, there is yet to be a trend analysis the whole comparator group for 2020, this is usually available in June of the following year. Previously we have remained at the upper end of or above the interquartile range for mortality but have mostly followed the trend.

VON Data



LWH Neonatal Mortality 20-21

NICU	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Total
Discharges	110	99	78	102	108	91	94	98	90	91	92	89	1142
Total Mortality	3	0	4	9	3	9	0	3	4	6	4	2	47

Births	584	572	631	658	677	681	669	605	605	610	618	658	7568
Mortality Rate per 1000 births	5.1	0	6.3	13.6	4.4	13.2	0	4.9	6.6	9.8	6.5	3.0	6.2

What happens next?

The Trust will continue to benchmark against national data from the Office of National Statistics, annual data from Vermont-Oxford Network and MBRRACE-UK.

All neonatal deaths are reviewed using the national perinatal mortality review tool, with external representation and parental engagement; we will continue to ensure a high quality review process with a focus on learning, reporting and action to improve future care.

The Trust recognises that the current Neonatal Mortality rate is above our goal and following internal reviews and a review by Birmingham Womens Hospital Neonatal Team an external review has been commissioned via the North West Neonatal Operational Delivery Network will undertake a Independent Mortality review commencing in March 2021 which will take approximately 6 months to report back.

The Trust will continue to undertake review internally of all neonatal death and provide a quarterly report to the Quality committee and Trust board as part of the Trust Learning from Deaths Policy.

Learning from Deaths

The following section of the report provides information as to how the trust learns from deaths.

The use of Hospital Standardised Mortality Rate (SHMI) is not appropriate for this organisation as it excludes a large number of our deaths. Using it may give false concern or reassurance. This has been considered very carefully by the Trust Board and we have committed to monitoring our mortality by focussing on each clinical area separately and using crude mortality data.

We record our mortality rates in those areas and benchmark against national standards. To ensure effectiveness in the Trust is at the absolute forefront of practice, the Trust goes a step further than most other hospitals by ensuring that every case in which there is a death is reviewed individually so that any lessons regarding quality of care may be learned.

The below table provides an overview of all reviews or investigations conducted for each adult and perinatal deaths within LWH. The quarterly percentage includes both adult and perinatal deaths, in total there were 53 deaths, of this 5 were expected gynaecological oncology patients on a palliative care pathway, 1 unexpected Gynaecology death and the remaining 47 deaths were infants who died as a result of their severity and/or complexity of their clinical condition

Overall deaths (adult and paediatric deaths)	%
Estimate of the number of deaths during reporting period 01 April 2020 – 31 March 2021 for which a case review or investigation has been carried out	92.0%
Number of the patient deaths during the reporting period 01 April 2020 – 31 March 2021 which are judged to be more likely, than not, to have been due to problems in the care provided to the patient	11.2% (Neonatal only on PMRT)

Number of overall deaths as a percentage in Q1 (No of overall deaths 7)	13%
Number of overall deaths as a percentage in Q2 (No of overall deaths 23)	44%
Number of overall deaths as a percentage in Q3 (No of overall deaths 9)	17%
Number of overall deaths as a percentage in Q4 (No of overall deaths 14)	26%

Neonatal

Since January 2019 all neonatal deaths on NICU have been reviewed using the standardised national perinatal mortality review tool (PMRT). There is a monthly multi-disciplinary review meeting with representation from neonatal, obstetrics, bereavement support and palliative care teams. Reviews are planned for 6-8 weeks after the baby has died. Where there has been an in-utero transfer for or a baby has been transferred post-natally for higher level care, the other hospitals or care providers involved are invited to the meeting to complete a joint review encompassing all aspects of care. If a joint review is not possible care at LWH is reviewed and the booking / delivery hospital is contacted and asked to complete a local review. Each case is then assigned a grade (A-D, see below) for each of the following areas: antenatal care, neonatal care and care after the baby has died.

A	No issues with care identified up to the point that the baby was confirmed as having died
B	Care issues which the panel considered would have made no difference to the outcome for the baby
C	Care issues which the panel considered may have made a difference to the outcome for the baby
D	Care issues which the panel considered were likely to have made a difference to the outcome for the baby

Cases where a grading of C or D has been assigned will be then reviewed further as a table-top review, or if deemed appropriate a formal review or serious incident. Local mortality review outcomes and learning are shared within the department and at the Clinical Effectiveness Group for Cheshire and Mersey NWODN. The PMRT outcomes are reported to the regional child death overview panel (CDOP).

The PMRT process encourages parental engagement, all parents are informed of the review process at the time the baby dies, a letter detailing the process and how they can engage is provided. Any comments / questions / concerns which the parents send in are addressed as part of the review and parents are provided a written response and offered an appointment to discuss the response thereafter.

Of the reviews held to date we identified care issues in the neonatal management in 7 of 11. In 4 of those cases the care issues identified did not affect the outcome. Three of the cases were deemed to have neonatal care issues which may have affected the outcome for the baby. For one of those cases the care issues identified related to management in the birth hospital prior to transfer to LWH for higher level intensive care, the birth hospital will address this issue. Two cases were found to have issues with neonatal care at LWH which may have affected the babies' outcome. Both cases will have in depth table top reviews of the issues contributing to the C grading, which for both was early respiratory management in extreme preterm babies although in different ways. The table top reviews are pending at this time.

The issues identified which did not have affected the outcome for the baby (grade B) include:

- Unplanned extubation
- Prolonged handling for central line insertion
- Delay in performing septic screen
- Hypothermia on admission (birth hospital actions)
-

Actions to address the above issues:

- Unplanned extubation audit and QIP – commenced May 2021
- New admission and early management protocol for extreme preterm babies – education and training commenced May 2021, launching June 2021
- LOTW May 2021 – golden hour septic screen for administration of antibiotics within 1 hour of decision to screen
- Hypothermia – related to equipment issue and will be addressed by the birth hospital

Gynaecological (Oncology + Non-oncology) and Maternity (Adult Deaths)

All expected and unexpected adult deaths in the Trust are reported on the Ulysses Risk management system as soon after death as practicable by the nurse or clinician providing care to the deceased patient.

They will thereafter, complete an Adult Mortality Review on Ulysses Risk Management System within 48 hours of the patient's death. This records performance against a predefined set of standards, using the recognised and validated methodology detailed in PRISM studies. In each clinical area, the Clinical Director provides feedback to clinicians if individual errors or omissions in care have been identified by use of this audit tool. The Risk and Patient Safety Manager and Deputy Medical Director analyse the data and identify any emerging Trust-wide themes. These are highlighted and reported in the Quarterly Adult Mortality Report.

If any deaths are graded as NCEPOD 5 or <3 (very poor/poor care) on structured judgement review then a second stage review will be performed according to the RCP SJR process.

For unexpected gynaecological deaths and all maternal deaths, either a Level 2 or a Level 3 Root Cause Analysis is performed. One of the main aims of the Root Cause Analysis is to identify case-specific errors and systematic flaws. All Root Cause Analyses are scrutinised by the Head of Governance and Quality and risk and Patient Safety Manager, who pool data and identifies any emerging Trust-wide themes. The lessons learnt and the SMART Action Plans are highlighted in the Quarterly Adult Mortality Report.

Compliance with NICE Quality Standards

During 2020-21 the Trust ensured to continue to maintain its robust approach to the reviewing and actioning of NICE quality Standards which are relevant to the services provided by the Trust. The information below provides an update for the 2020-21 period.

Our Priority Effectiveness

Increase compliance with NICE Quality Standards Achieved in 2017-20 Strategy, achieved in 2020-21

What we said we'd do

Demonstrate compliance with evidenced based practice and aim to be in the top performing 20% of trusts for anticipated critical outcomes by:

- Agreeing implementation plans for NICE Quality Standards in each division.
- Auditing compliance.
- Identifying a suite of clinical indicators for each division, establishing baseline data.
- Developing and implementing improvement plans for clinical indicators that fall outside the top 20% against appropriate peers.
- Increasing oversight of delivery via the Effectiveness Senate and Quality Committee.

What the data shows

The data shows that:

- Implementation plans for all relevant NICE Quality Standards in each division are agreed and recorded monthly.
- All NICE Quality Standards released in 2020-21 have been considered for applicability to the Trust and where applicable, allocated appropriately.
- NICE Quality Standards which are recorded as being 'fully implemented / compliant' were considered for inclusion in the Annual Clinical Audit Forward Plan.
- In order to increase oversight of delivery of the Quality Standards, this is reported monthly to the Information Team via the Performance Report (Power BI) and at both the Effectiveness and Safety Sub Committee and the Quality Committee.
- Of the 8 NICE Quality Standards deemed applicable 7 (87.5%) have completed baseline assessments, 4 (57%) of which we are fully compliant with and 3 (43%) have actions in progress in order for us to become fully compliant and 1 (12.5%) has a baseline assessment in progress to establish compliance.

What happens next?

To continue with current processes and encourage audit of implemented Quality Standards.

Seven Day Hospital Services

Due to the Coronavirus pandemic, the Spring Seven Day Service return was scheduled for September 2020 but in June 2020 the Regional Seven Day Service team informed trusts that due to the ongoing pressures that trusts are under, it is felt that a September BAF would be unreasonable and would not necessarily reflect business as usual (BAU) in regards to the 4 priority Seven Day

Service standards. The **September Return was CANCELLED and there are no current plans to collect a Regional BAF return this year.**

Further returns are not envisaged from a regional perspective. We await clarity from the NHSE-I Regional Medical Directors in regard to how they wish to seek assurance to the delivery of this agenda. It is assumed this will be via a local assurance process with commissioners but this has not been confirmed as yet.

Findings (Self-Assessment in September 2020)

The Trust has dropped slightly from its position of compliance against the target for priority Standard 2 from 96% in spring 2020 to 87.5%. This was due to two women being seen by a Consultant outside 14 hours. They were admitted at the weekend after the Consultant ward round and were reviewed the following morning. Both had comprehensive management plans in place and were reviewed by senior trainees.

The successful round of Consultant recruitment to the Gynae Emergency Dept (GED) on 4th May 2020 has expectedly improved the week-day cover and patient access to Consultant led decision making. Further development of the acute Gynaecology service model and the embedding of learning gained from the Covid-19 pandemic response, in terms of triage, efficiency of clinical pathways and the assimilation of new clinical techniques into normal practice are expected. From the types of cases admitted to LWNHSFT, there is no indication currently that a significant change in weekend cover is required. Comprehensive management plans were in place for all admissions.

As previously reported, there has been no significant progress against the requirements of Standards 5 & 6 as these ostensibly require co-location with an adult acute site to be fulfilled. There is now an agreed MoU with Liverpool University Hospitals NHS FT. (See table below)

In the most recent survey, 16 women were eligible for entry into the survey at LWH. Most emergency gynaecological admissions in the Trust are for miscarriage and hyperemesis. For this report, hyperemesis cases have been excluded by agreement with the CCG and 7DS assurance service as there are standard pathways in place for its management. The 7DS standards therefore apply to a small proportion of women admitted to LWH. 14 were seen within 14 hours in this survey with some being seen almost immediately in the GED.

STANDARD	SELF ASSESSMENT	SCORE
<p>Priority Standard 2 – All emergency admissions must be seen by a suitable Consultant at the latest within 14 hours from time of admission (target >90%)</p>	<p>In this survey, 87.5% of admitted women were assessed in person by a Consultant within 14 hours of admission, a slight drop in the Trust compliance since the last survey. Most emergency gynaecological admissions in the Trust are for early pregnancy problems including miscarriage and hyperemesis. All have review and decisions at senior level. Patients requiring thorough clinical assessment by a suitable Consultant were seen daily.</p> <p>The current job plans do not specifically make reference to 7DS but the on-call rotas cover Consultant ward rounds and emergency admissions. The significant challenge posed by the Covid-19 pandemic should be considered. The team continued to maintain a service throughout the pandemic.</p>	<p>Not met</p>

	<p>For 2021/22 the Trust has invested in an additional 4.2wte Consultant posts to support the Clinical Case for Change working towards 24/7 medical cover on site. This builds on the existing consultant numbers that we have continued to invest in since 2017/18.</p> <p>Whilst we have invested in this number, there are still issues in actually recruiting into the roles, particularly within Anaesthetics.</p> <p>Medial staffing is closely monitored by the Medical Director and the Trust board and where required identify mitigating action to maintain safety.</p>	
Priority Standard 5 – Hospital inpatients must have 7 day access to diagnostic services & Consultant directed diagnostics	MoU being developed with LUFT regarding access to diagnostic series for urgent cases (24/7 days) these pathways are not as streamlined as they could be work activity required. To refine fine these pathways with partners in LUFT	Not met
Priority Standard 6: Hospital inpatients must have 24 hr access to consultant delivered interventions on site or through formally agreed arrangements	Key consultant delivered interventions can be accessed but these are generally provided outside specialty specific guidance due to stand-alone site of LWH. MoU with LUFT in place.	Not met
Priority Standard 8: All HDU patients have twice daily Consultant review and at least once every 24 hrs once a clear pathway has been agreed	100% return achieved with evidence of multi-disciplinary involvement including from adult acute Trust. Care is also provided off – site to women admitted in other hospitals e.g. RLBUHT/Aintree if needed. Increasingly LWH treats women assessed pre-operatively as potentially needing ITU care in the post-operative period at the acute Trust rather than on the stand-alone site.	Met

Providing the Best Patient Experience

At Liverpool Women's we also know that the experience that our patients have whilst under our care is of great importance. We understand that many of our patients have contact with us at some of the most significant times in their lives; with that in mind it is our ambition to make the experience of everyone who steps through our doors the best that it can possibly be. We also know that this goal of a great patient experience can only be delivered by a workforce who are engaged, competent and motivated to deliver high quality care.

Staff Survey Results

The 2020 National Staff Survey was conducted from October to December 2020, with the results being published nationally on 11th March 2021. Clearly, the survey period coincided with the covid 19 pandemic, and it is possible that this might have had an effect of some of the results.

The survey is carried out by all NHS organisations using a nationally agreed set of questions. As in previous years, the Trust surveyed its entire staff rather than just the required minimum sample, and the survey was undertaken by Quality Health, one of the DH approved contractors. Also as in previous years, our comparator group is 'specialist acute Trusts' which is made up of fourteen trusts across the country, although in reality, our services are more akin to those provided by a (general) acute Trust.

The survey itself contains a total of 31 questions, many with multiple parts, but for the nationally published results, these are statistically analysed grouped & weighted, and presented as ten key themes: equality diversity & inclusion, health & wellbeing, immediate managers, morale, quality of care, safe environment (bullying & harassment), safe environment (violence), safety culture, staff engagement, and team working (last year there was also a separate 'theme' for quality of appraisals). The results are presented as a score out of ten for each theme.

Issues for Consideration Overall Theme Scores

The results of the national staff survey are now headlined as ten key themes. The nationally published reports display these showing comparisons against other similar Trusts (we are classed as an acute specialist trust, for which the comparator group includes 14 organisations), and against our previous years' scores. The tables below represent a summary of these comparisons:

Comparisons Against Other Acute Specialist Trusts:

equal to best	1	equality, diversity & inclusion
above average	1	safe environment – bullying & harassment
equal to average	3	health & wellbeing safe environment – violence team working
below average	1	morale
equal to worst	4	immediate managers quality of care safety culture staff engagement

Comparisons against Our 2019 Survey Results:

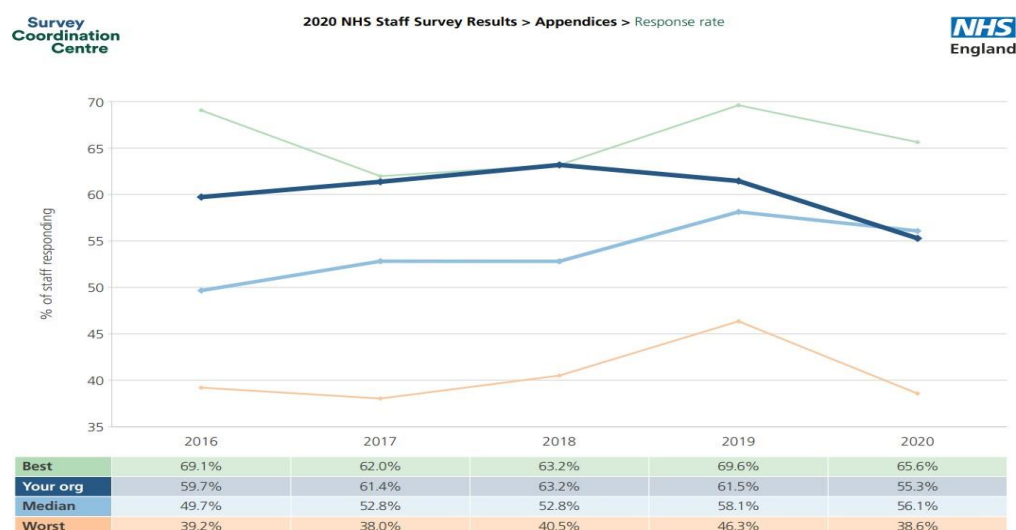
improved	3	equality, diversity & inclusion (9.4□9.5) health & wellbeing (6.4□6.5) team working (6.6□6.8)
unchanged	4	morale quality of care safe environment – bullying & harassment safety culture
deteriorated	3	immediate managers (6.9□6.8) safe environment – violence (9.9□9.8) staff engagement (7.2□7.1)

However, it should be noted that **none of the changes** in our overall theme scores were deemed to be **statistically significant**:

Theme	2019 score	2019 respondents	2020 score	2020 respondents	Statistically significant change?
Equality, diversity & inclusion	9.4	822	9.5	788	Not significant
Health & wellbeing	6.4	830	6.5	796	Not significant
Immediate managers †	6.9	826	6.8	790	Not significant
Morale	6.3	814	6.3	789	Not significant
Quality of care	7.6	746	7.6	681	Not significant
Safe environment - Bullying & harassment	8.7	819	8.7	788	Not significant
Safe environment - Violence	9.9	822	9.8	790	Not significant
Safety culture	6.9	826	6.9	792	Not significant
Staff engagement	7.2	831	7.1	789	Not significant
Team working	6.6	816	6.8	776	Not significant

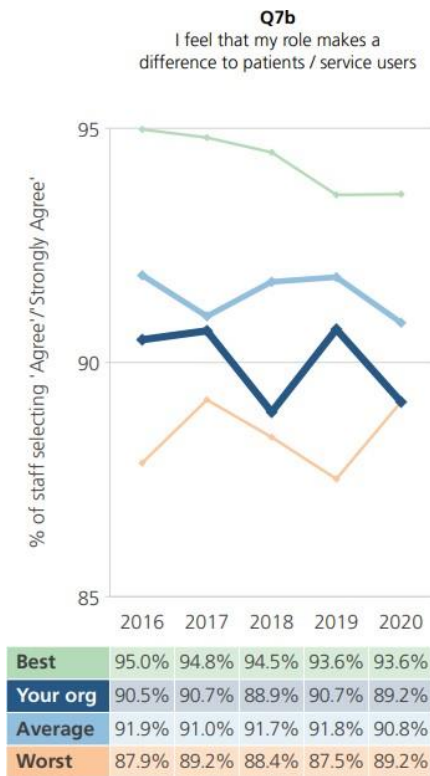
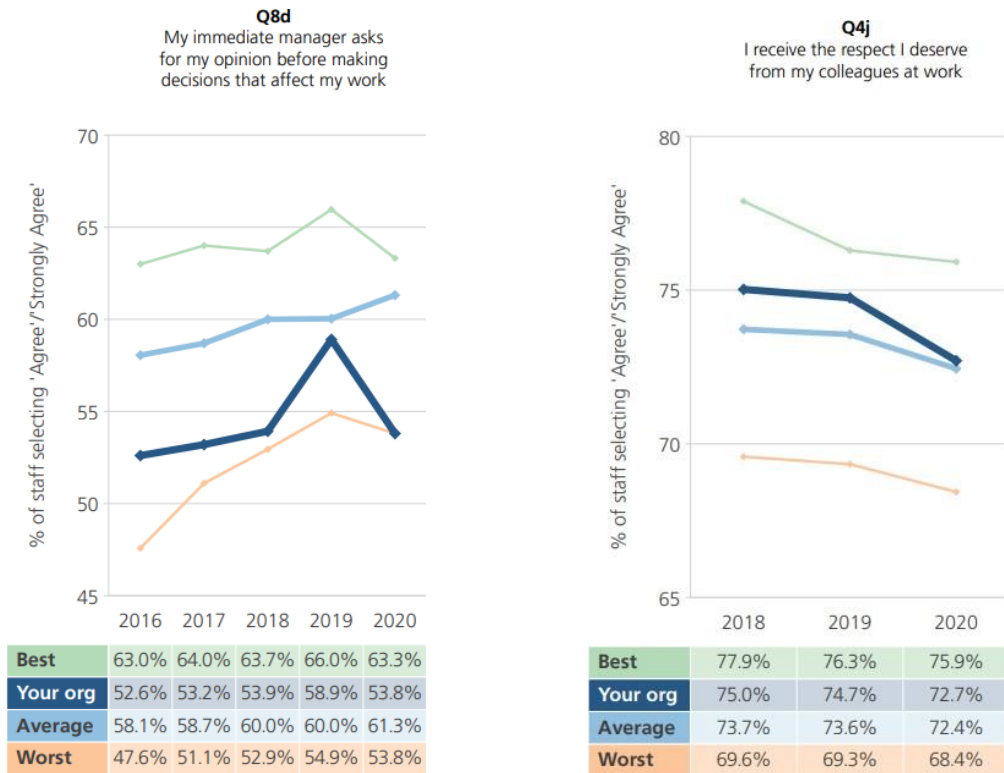
Response Rate

The table below shows that although our response rate didn't manage to reach the same level as previous years, this was reflected across our comparator group. The same pattern of lower response rates was also seen nationally, and is likely to be a result of the survey being conducted during the covid 19 pandemic, when staff and services faced vastly increased pressures and challenges:



Individual Question Scores:

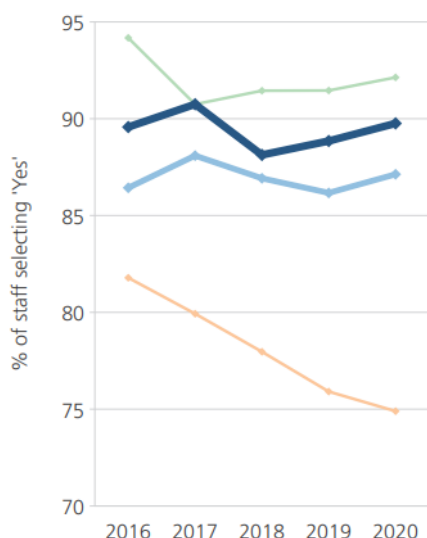
The published reports also provide more detail in relation to individual questions. Whilst the overall pattern of little or no change is also reflected at the individual question level, there are some that stand out as issues that would bear closer examination:



Equally, there are also some that stand out as cause for optimism/celebration:

Q14

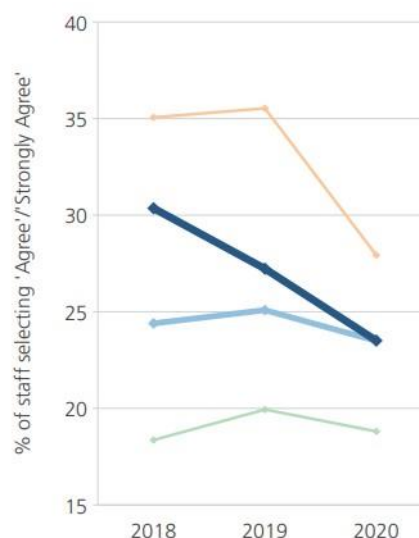
Does your organisation act fairly with regard to career progression / promotion, regardless of ethnic background, gender, religion, sexual orientation, disability or age?



Best	94.2%	90.7%	91.4%	91.5%	92.1%
Your org	89.6%	90.7%	88.1%	88.8%	89.8%
Average	86.4%	88.1%	86.9%	86.2%	87.1%
Worst	81.8%	79.9%	78.0%	75.9%	74.9%

Q19a

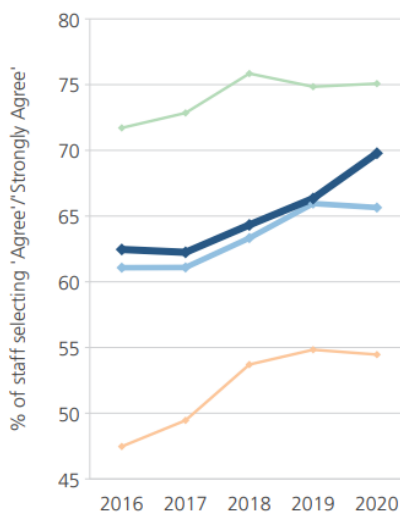
I often think about leaving this organisation



Worst	35.1%	35.5%	27.9%
Your org	30.4%	27.2%	23.5%
Average	24.4%	25.1%	23.5%
Best	18.4%	19.9%	18.8%

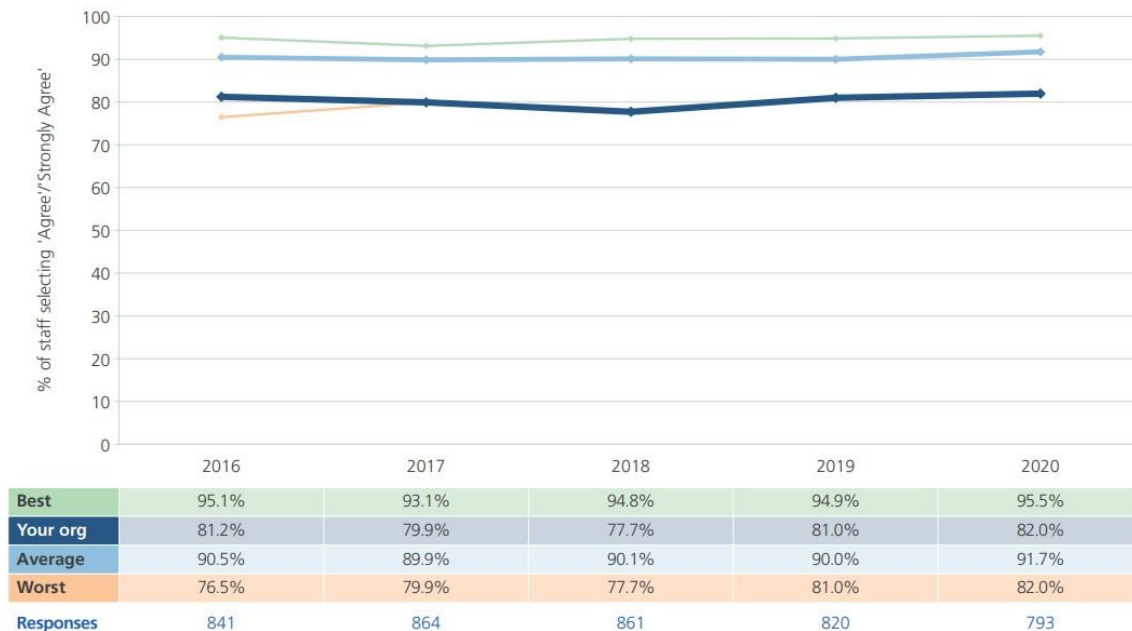
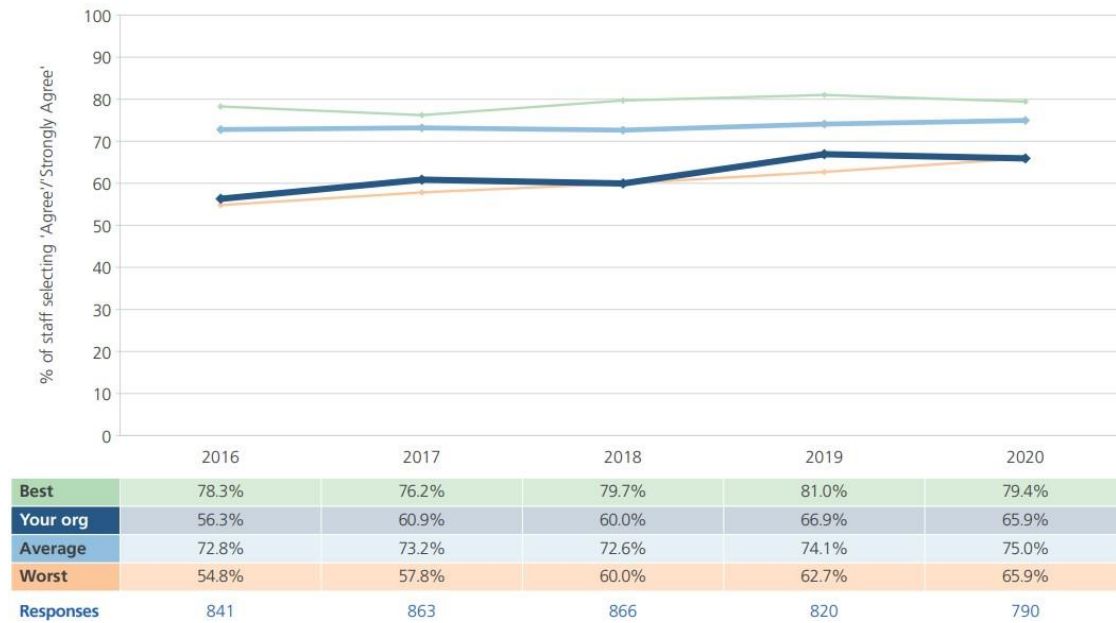
Q16d

We are given feedback about changes made in response to reported errors, near misses and incidents



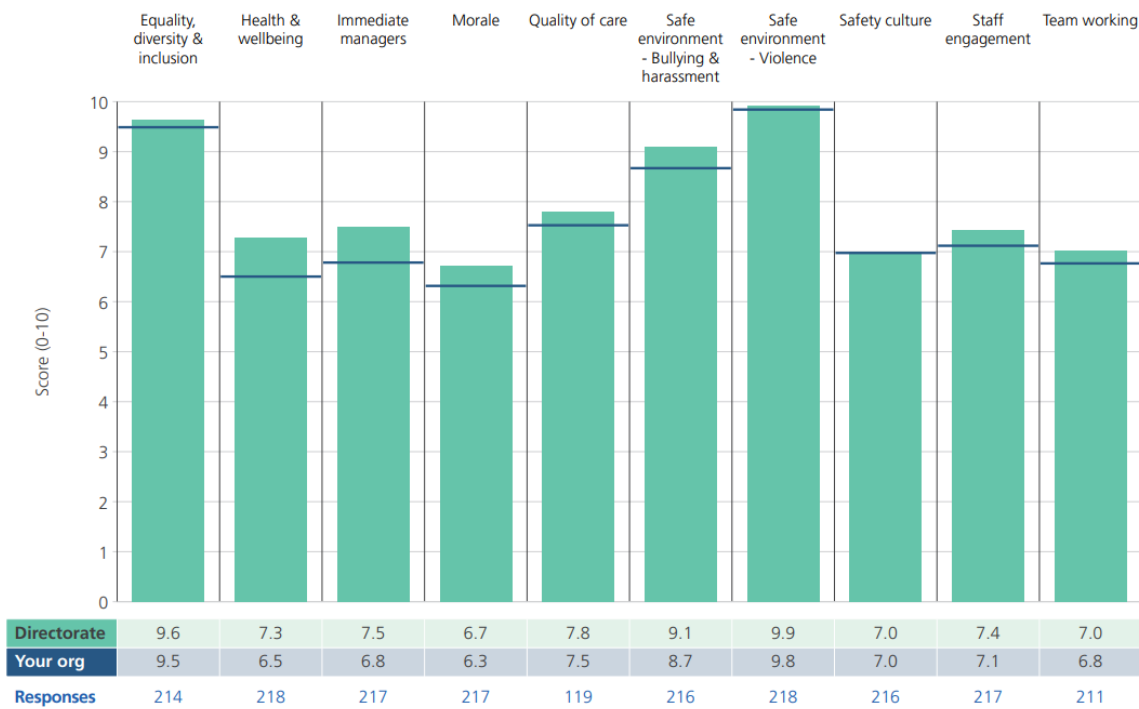
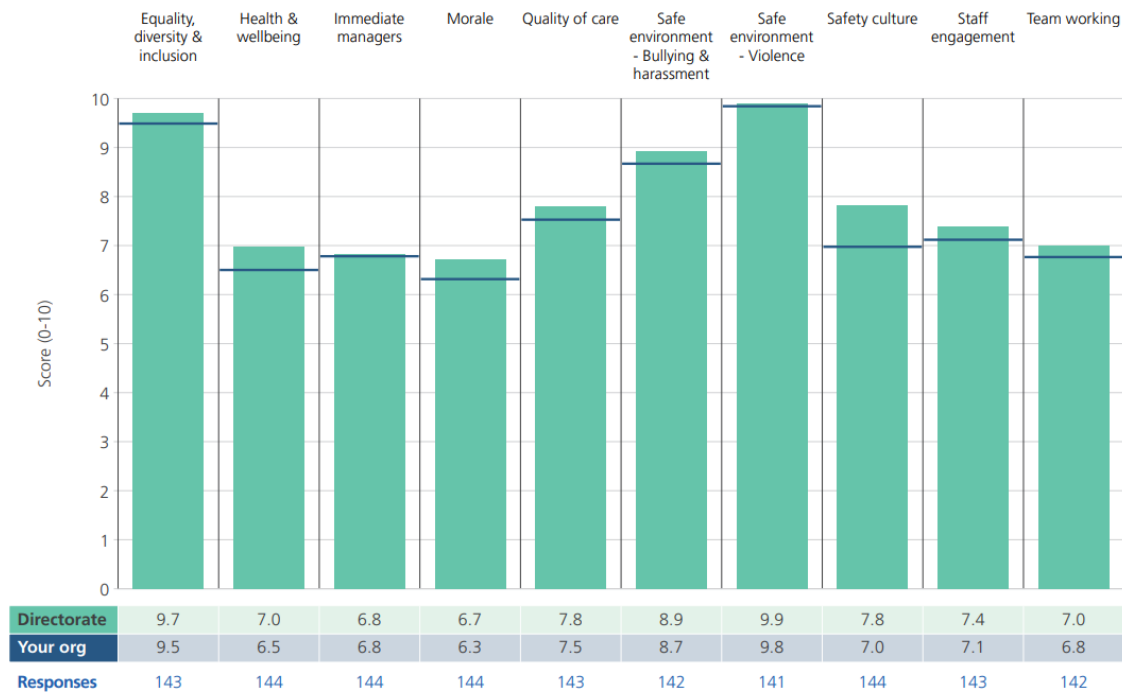
Best	71.7%	72.8%	75.8%	74.8%	75.1%
Your org	62.5%	62.2%	64.3%	66.3%	69.8%
Average	61.1%	61.1%	63.3%	66.0%	65.6%
Worst	47.5%	49.5%	53.7%	54.8%	54.5%

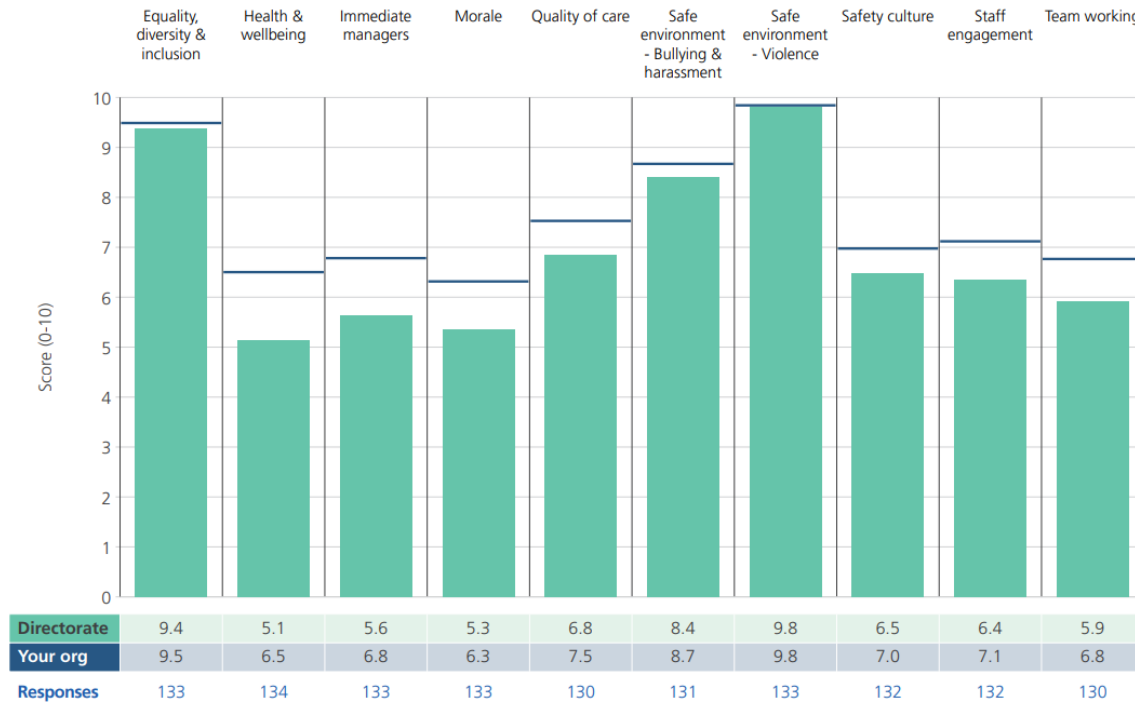
For the two key questions regarding recommending the Trust as either a place to work or receive treatment, the changes from last year's scores were minimal:



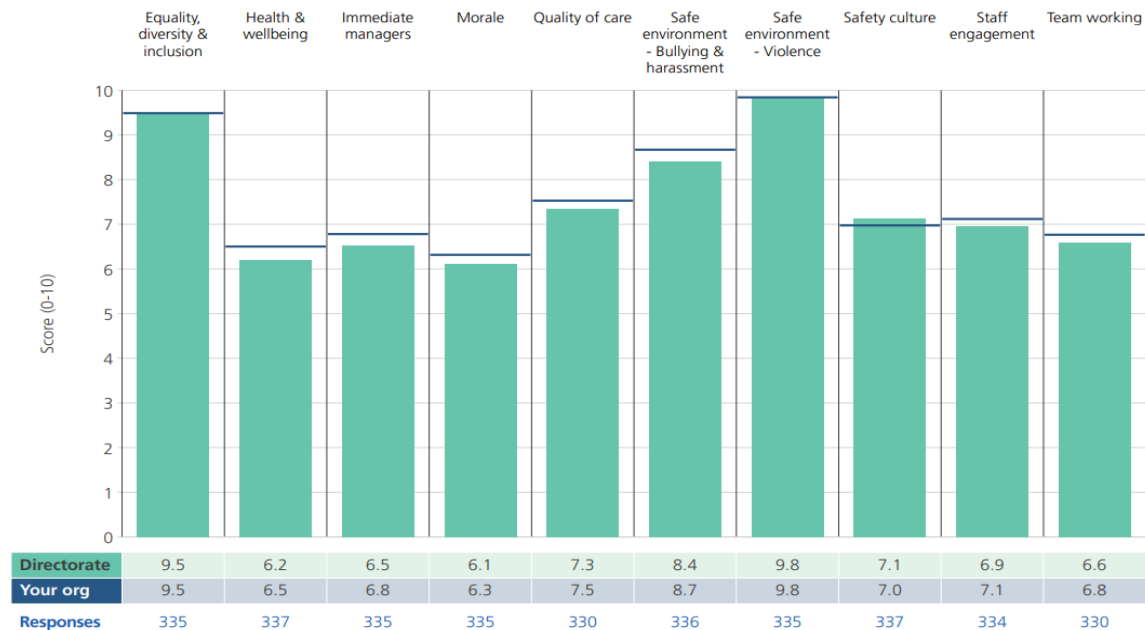
Divisional and Staff Group Results

Below are some of the examples of the variation in scores across the divisions:





Across the Staff Groups:



Full comparisons for all divisions and staff groups are included in the nationally published directorate report. These reports are being included with the feedback given at division and directorate levels so that local management can see where they stand in relation to the bigger Trust wide picture, and therefore identify specific local issues that need addressing.

Benchmarking with other local Trusts

At North West level 5 out of 20 Acute Trusts were on or above the national benchmark on all 10

themes within the survey. STHK were above on all 10. Bolton and East Lancashire also performed well.

All acute specialist organisations achieve above average in all 10 themes **except LWH where we fell below in 6 of the 10 national themes.**

As usual, we perform less favourably than other (specialist) Trusts in the region on the key score of **Staff Engagement:**

Liverpool University Hospitals Trust	6.9
Birmingham W&C NHS Foundation Trust	7.2
Liverpool Women's NHS Foundation Trust	7.2
Alderhey NHS FT	7.4
STHK	7.6
Walton Centre	7.6
Liverpool Heart and Chest Hospitals	7.6

Let's Talk Survey Results

In parallel to the national staff survey, the trust also runs a quarterly local survey under the strapline "Let's Talk". The most recent of these was completed in December 2020, and a summary of the results is available on request. This summary has been shared with local managers along with their staff survey results to help them establish a wider evidence base to inform the development of their action plans.

Overall, there has been little change in this year's staff survey results. While on the one hand it is disappointing that more progress has not been made in key areas, it is also apparent that the continuing covid 19 pandemic is likely to have had an effect on the results, and on some of the key issues that are measured by the survey.

The results have been drilled down to division, directorate and ward/department level, and summaries have been distributed to the divisional management teams. The divisions have been asked to pick a key theme from the results to focus on for improvement, with each ward/department being asked to identify a sub-theme and then follow through with an action plan to address the issues/barriers/problems within that sub-theme. Successes will then be shared across divisions and throughout the Trust as a whole as examples of best practice, thereby maximising the impact of changes driven by the staff survey results.

It is important that the Staff Survey data and key themes are used to inform the objectives within the Trust's Putting People First action plan and specific work streams emanating from that including

- Health and wellbeing strategy
- Cultural diagnostic programme
- Roll out of Fair and Just Culture training to 200 managers over next 3-6 months
- Leadership and Talent strategy
- How we learn from the lessons of covid and move forward towards recovery

The Trusts newly appointed Head of Culture, Inclusion, Engagement and Wellbeing will lead on utilising the staff survey results to inform plans for cultivating and developing staff engagement across the Trust (both local and Trust-wide levels) and in taking forward the work to embed Fair & Just Culture into everything that we do.

While the current covid pandemic presents certain challenges to achieving these goals, it also offers

the opportunity to be more creative and imaginative in coming up with solutions, building on some of the excellent work done during the pandemic around agile working, flexible support for staff and alternative delivery methods for learning and teaching.

Priorities for Improvement in 2020-25

As has been outlined in the report so far, the Trust has 3 clearly defined quality goals; to reduce harm, to reduce mortality and to provide the best patient experience. You have seen already how we have performed during 2019-20; the tables below set out what our priorities will be in the coming 5 years with the new quality and clinical combined strategy.

Our priorities are a combination of national and local issues and wherever possible are identified by as wide a range of stakeholders as possible as well as by the Trust. This includes patients, their families, the wider public, our staff and commissioners. We have held listening events and engagement sessions to allow all our stakeholders the opportunity to assist in choosing this year's priorities. The priorities are driven by the Trust's Quality Strategy and will allow us to achieve our vision of being the recognised leader in healthcare for women, babies and their families

Our Ambitions for Quality Improvement

In keeping with the wider NHS, we use a three-part definition of quality, described in the 2008 Darzi NHS Next Stage Review (Department of Health 2008) as:

- Patient Safety, Clinical Effectiveness and Patient Experience.

Three of our Trust aims map directly to our definition of quality, however, we also recognise that work streams within each of our five aims have an impact on quality and our ability to improve quality within our clinical services.

At Liverpool Women's, our vision is to become the recognised leader in healthcare for women, babies and their families. We have developed a set of ambitions aligned to our aims, which set the long term direction for our organisation; creating the momentum and mind-set we need to become outstanding in everything we do. Our ambitions help create an environment where we are constantly reaching for excellence and where continuous improvement in quality is always at the top of our agenda.

Quality improvement is a part of everything we do; naturally then some of this work is described elsewhere within our strategies and plans; where this is the case, we have made this clear. We will not duplicate work; we strive to be efficient in how we approach quality improvement throughout our organisation.



Clinical and Quality Strategy Aims and Priorities for 2020-2025

Liverpool Women's Hospital has a proud history of providing world-leading clinical care to women, babies and their families dating back to 1796, when a dedicated group of local people set up the 'Ladies Charity' to help care for women in the city who were giving birth.

Over the years we have delivered our unique set of services from a variety of locations across the city, coming together under one roof in our current location on Crown Street in 1995. From here we now provide care to thousands of people from Liverpool and beyond every year, as the country's only standalone specialist Trust for women and their babies.

Since 1995 Liverpool Women's Hospital has:



This ambitious Clinical and Quality Strategy focuses on our aim to be the leading provider of healthcare for women, babies and their families. We aspire to be recognised as an outstanding organisation.

It sets out our ambitious goal of the three **Zeros - zero stillbirths, zero maternal deaths, and zero never events.**

This is a challenging and ambitious strategy but I know that with the right support, investment, training and encouragement, the team at Liverpool Women's will pull together to deliver a marked improvement in outcomes and experience for our patients and their families.

This strategy was developed through conversations with our staff, patients and governors. We have done this in a variety of ways; through individual discussions, listening events, engaging through social media, and increasingly through virtual meetings. We value the diverse perspectives we have gained from engaging with these different groups; they all have a part to play in shaping our future.

We have also considered our previous achievements and performance to help inform our priorities as well as using the feedback we have received from patients about our services, the clinical challenges that we face and our compliance against key clinical standards and service specifications.

Our leading roles in research, innovation, education and digital medicine underpins this strategy, driving forward improvement in the quality of care we provide.

Our Values	 Care	 Ambition	 Respect	 Engage	 Learn
Our Aims	To develop a well led, capable, motivated and entrepreneurial workforce.	To be ambitious and efficient and make best use of available resources.	To deliver safe services.	To participate in high quality research to deliver the most effective outcomes.	To deliver the best possible experience for patients and staff.
Our Ambitions	We will be an outstanding employer.	We will deliver maximum efficiency in our services.	Our services will be the safest in the country.	Outcomes will be best in class.	Every patient will have an outstanding experience.
Our Quality Improvement Priorities	Create a fair and just culture. Deliver comprehensive Human Factors training.	Adopt relevant tested interventions. Deliver national targets in context of COVID-19 recovery.	Create a culture of safety. Deliver outstanding medicines safety, maternity and neonatal safety.	Outcomes will be best in class.	Improve adult mortality and extended perinatal mortality. Deliver all NICE quality standards.
Our supporting strategies and plans	Patient Experience Communications, Msrketing and Engagement	Long Term Financial Model Risk Management Research & Development	Leadership and Talent Digital Generations Operational Plan	Putting People First Nursing, Midwifery and AHPs Quality Improvement	

How are we going to get there?

How we will deliver our goals:

Our methodology for delivering Quality Improvement is outlined in a separate strategy, because we recognise that Quality Improvement underpins all of our work, not just our clinical services.

The strategy has a number of key themes:

- QI methodologies and training
- Dissemination and implementation of lessons learned
- Human Factors training
- Ward accreditation, including pressure ulcers, falls, nutritional monitoring
- Patient safety training

We will aim to develop a flexible resource within the Trust to support our front line staff in delivering quality improvements and we will we will involve our patients as partners in the changes we make.

The Trust's QI projects will be centrally logged with the Governance Department but owned and acted upon by the Divisions with their embedded QI Champions.

Measuring our success

- Each of our quality improvement priorities will have a detailed implementation plan with defined outcome measures to track progress. The Quality Committee will regularly review progress against each priority.
- Our achievements will be reported through our annual Quality Report and we will evidence our progress through Clinical audits, patient feedback, clinical outcomes and mortality ratios.
- We will outline detailed plans for delivery of clinical priorities each year through our operational planning process. Our performance against each clinical priority will be monitored through our divisional assurance processes. We will:
- Make sure every person working in each of our services understands how their role contributes to the delivery of our plans through the PDR process;
- Make sure each of our corporate divisions understands their role in supporting the clinical services to deliver these priorities for the benefit of patients;
- Identify the resource needed to deliver these priorities through our operational planning process;
- Review our strategy regularly to make sure we are responding to our environment appropriately; and
- Refresh our strategy and priorities where appropriate.

We will communicate our success through:

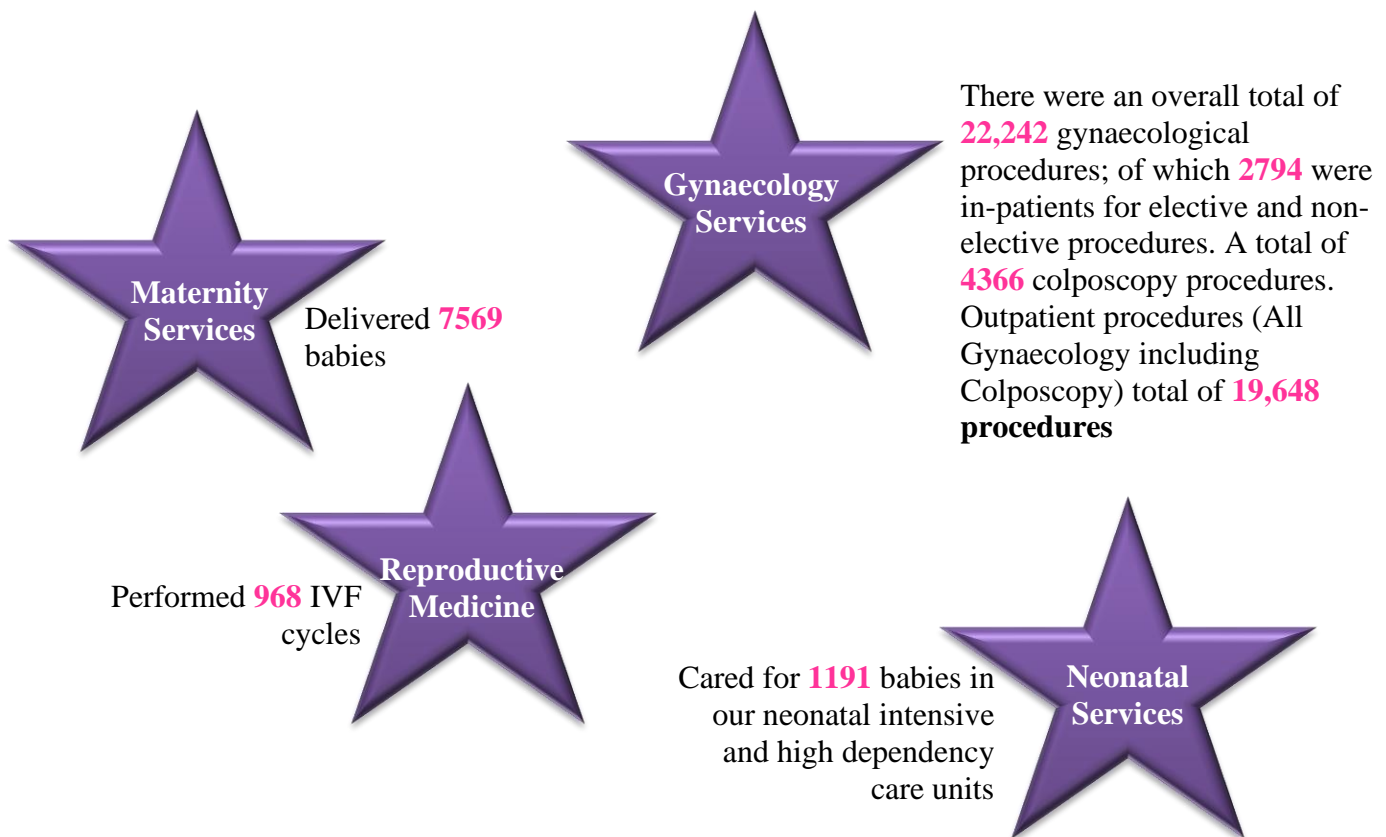
- Published reports to the Quality Committee and the Board;
- Patient experience forums, including our Maternity Voices Partnership;
- Social media channels;
- In The Loop and staff newsletters; and
- Individual and Divisional performance reviews.
- Awards and recognition of achievements

Statements of Assurance

The Trust is required to include statements of assurance from the Board. These statements are nationally requested and are common across all NHS Quality Accounts.

Review of Services

During 2020-21 the Liverpool Women's NHS Foundation Trust provided and / or sub-contracted 4 relevant health services:



The Liverpool Women's NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these relevant health services. The Gynaecology and IVF figures are lower than in 2019-20 due to the impact of Covid-19 and the stand down in elective activity for a number of months. A recovery plan is in place following national guidance for 2021-22.

Participation in Clinical Audit

During 2020-21, 6 national clinical audits and 1 national confidential enquiry covered relevant health services that Liverpool Women's NHS Foundation Trust provides. During 2020-21 Liverpool Women's NHS Foundation Trust participated in 100% of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Liverpool Women's NHS Foundation Trust participated in, and for which data collection was completed during 2020-21, are listed below alongside the percentage of the number of registered cases required by the terms of that audit or enquiry.

Relevant National Clinical Audits	Did the Trust participate?	Cases Submitted
Neonatal Intensive and Special Care (NNAP)	✓	100%
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK) – Perinatal Mortality	✓	100%
National Pregnancy in Diabetes Audit (NPID)	✓	100%
National Maternity and Perinatal Audit (NMPA)	✓	100% (Data routinely collected from Maternity Services Dataset-MSDS).
Learning Disability Mortality Review Programme (LeDeR)	No cases to submit	
Serious Hazards of Transfusion (SHOT) (<i>actions to be included in annual Bedside Transfusion Audit report</i>)	✓	100%

Relevant National Confidential Enquiries	Did the Trust participate?	Cases Submitted
Maternal, New-born and Infant Clinical Outcome Review Programme (MBRRACE-UK) – Maternal Deaths	✓	100%

The report of 1 national clinical audit was reviewed by the provider in 2020-21 and the remaining reports are expected later in 2021 and Liverpool Women's NHS Foundation Trust intends to take relevant actions to improve the quality of healthcare provided.

National Clinical Audits	Actions Taken
Neonatal Intensive and Special Care (NNAP)	National report in the process of being reviewed prior to provision of local report and action plan.
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK) – Stillbirth	Awaiting National Report.
National Pregnancy in Diabetes Audit (NPID) 2019	Awaiting National Report.
National Maternity and Perinatal Audit (NMPA)	Awaiting National Report.
Learning Disability Mortality Review Programme (LeDeR)	Although we planned to participate in this project, we had no cases to submit.
Serious Hazards of Transfusion (SHOT) (<i>actions to be included in annual Bedside Transfusion Audit report</i>)	Awaiting Local Bedside Transfusion Audit Report.

The reports of 38 local & 1 regional clinical audits were reviewed by the provider in 2020-21 and Liverpool Women's NHS Foundation Trust has either already taken or intends to take the following actions to improve the quality of healthcare provided. This is a selection of key actions that have improved healthcare or made a difference to patients as a result of local clinical audit; they are those we feel are most relevant from our Clinical Audit programme this year.

Trust Compliance with the Mental Capacity Act (MCA) 2005, Deprivation of Liberty Safeguards (DOLS)

This audit found that there is full compliance with Trust policy in respect to establishing a lack of capacity, a decision made in Best Interest and the identification, authorisation, and notification of the outcome of deprivations of liberty within Liverpool Women's Hospital. To streamline processes further, external factors for reduction in admissions will be explored and Clinical Divisions will promote the need to complete the online mandatory training MCA module for identified staff groups. To support the move to a more robust, paperless service, the use of the MCA & Best Interest template on the Patient Electronic Notes System (PENS) will be promoted and an MCA & Best Interest template will also be developed for the Trust's K2 Athena system.

Re-audit to Assess Patient's Understanding and Recollection of Consent Process Pertaining to Obstetric Analgesia

A significant success from this audit was the level of patient engagement with the consent questionnaire with patients offering opinions on what they thought may enhance antenatal care in the future. The Anaesthetic Team is very involved with patient care as confirmed by the ability for women to ask for further advice. This is an improvement and future rotational trainees will be encouraged to continue this. To improve the consent process further, relevant information cards relating to consent are now present in all rooms on Delivery Suite and the Midwifery Team know to offer them to patients as soon as possible/appropriate. Discussions have also been held with the

Senior Midwifery Team as to whether information cards could be provided in the Induction Suite so that patients can read them prior to pain/opioids being a confounding factor. The findings of this audit have been discussed with the Anaesthetic Team to raise awareness of any identified problems with patient consent and to consider best options for distributing antenatal information, particularly if limited face-to-face contact continues as a result of the current pandemic. The findings of this audit were also widely disseminated via email and presented at the Anaesthetic Business Meeting.

Renal Cancer Screening Recommendations in Hereditary Leiomyomatosis and Renal Cell Cancer (HLRCC)

This audit highlighted that different screening modalities and regimes are being utilised by their respective healthcare providers, highlighting the importance of communicating the up-to-date screening recommendations. As a result, all patients identified, and their healthcare providers are being contacted in writing to inform them of the current renal screening guidelines in individuals with confirmed pathogenic familial hypercholesterolaemia (FH) variants. Parents of children who were too young for genetic testing at the time of last contact will be made aware of the current recommendations to offer genetic testing to at-risk children from the age of 10 years. Family member letters are also being prepared and will be provided to patients to be shared with their wider at-risk family members, as appropriate. The results of this audit were presented to the Clinical Genetics Team and a re-audit of compliance with screening guidelines is scheduled.

Patient Access to Fertility Preservation Treatment Re-audit

This re-audit was carried out to determine whether adherence to the National Institute for Health & Care Excellence (NICE) guidance has improved and to reassess our current management of fertility preservation referrals, length of time taken to treat patients and to understand reasons for any delays. The re-audit demonstrated improvement with adherence to NICE guidance, however, the referral to consultation interval can still improve further and the date of receipt of the referral was not always documented. As a result, this finding will be communicated to the fertility preservation team who receive the referrals stating that letters of referral are to be dated on the day of receipt. This will enable us to facilitate estimating the correct referral to review interval on the next re-audit and hopefully improve the referral to consultation interval further. To further ensure the public are fully aware of the referral pathway and the fertility preservation services that we provide, the section relating to fertility preservation on the Hewitt Fertility Centre website will be reviewed and updated if required.

Covid 19; An audit into triage standards in the Gynaecology Emergency Department (GED)

This audit was carried out to review if the processes for triaging within GED had been affected following changes in processes as a result of the Covid-19 pandemic. This audit found that patient triage was not always performed within the expected 15 minutes of arrival to the GED department, the GED escalation process required improvement and the physical location of the triage area required review. As a result, the triage process has been reviewed and staff training is underway to ensure the escalation of any delays and identification of high priority patients to Senior Staff. GED has physically relocated to allow for the initial assessment to be performed within the expected 15 minutes of arrival with a more in-depth Nursing assessment carried out following this. The findings of the audit were disseminated, and a re-audit is scheduled.

Re-audit to Assess the Image Quality of the Anomaly and Growth Scans

This audit was carried out to ensure compliance and consistency with scanning techniques and increase the likelihood of detecting any malformations in growth or development. 85% of the examinations scored a high standard however room for improvement was noted. As a result of the audit, individual sonographer findings were escalated to the management team for results to be disseminated to staff in one-to-one meetings. The Standard Operation Procedure (SOP) was altered to move the 'cardiac views' section under the 'structures examined for normality' to ensure this was included in every scan. A peer-review programme has been put in place which will involve all staff members and ensure the process is standardised. Staff are auditing images on a monthly basis and taking part in discrepancy meetings.

Compliance with the policy for filing of ICE results

This audit was completed to establish if all ICE results are being filed as per Departmental Standard Operating Procedures (SOPs). This was the first audit completed by the Trust having formulated the Electronic Result Reviewing and Filing (ERRaF) Policy and this will now be the benchmark audit to measure future performance against. As a result of the audit, both Maternity and Gynaecology SOP's will be reviewed to ensure they are consistent, clear and are reflective of manageable and sustainable current working practices. Pending any changes to the associated SOP's, the ERRaF policy will be updated and relaunched across the Trust. The re-audit is scheduled.

Postpartum bladder care Re – Audit

This re-audit aimed to demonstrate compliance with the new Obstetric Bladder Care guideline. The results found that postvoid residual volume (PVR) measurement at review had 94% compliance; there was an 89% compliance to protocol as per flowcharts and 100% compliance to referral at urogynaecology. Following a review of this audit against the 2019 audit, this re-audit helped to highlight the deficiencies in the management of women with postpartum retention. Earlier detection and management of retention has helped to reduce the volume of retention noted this year and has avoided long term complications. As a result of this audit, a repeat audit is recommended following the implementation of K2 documentation of obstetric care to ensure that all deficiencies noted have been rectified. Additionally, the department will invest in more bladder scanners in obstetrics.

Transitional Care Admissions

The aim of this audit was to assess compliance with the Transitional Care Admission Criteria of Liverpool Women's NHS Foundation Hospital (2018 – version 10 – NICU 34). The results found that compliance was 100% for meeting the current admission criteria to Transitional Care. The audit demonstrates that transitional care is an active part of the neonatal care provided at Liverpool Women's Hospital, preventing unnecessary separation of mother and baby and also reduces admission to the neonatal unit. As a result of this audit, a lesson of the week will be distributed to staff in regard to improving documentation and addressing what extra care can be added to Transitional Care compared to normal postnatal care. Written criteria for referrals to the Neonatal Outreach team will be developed and a Monthly Neonatal Dashboard will also be established to provide continuous monitoring of Transitional Care activity at Neonatal Multi-disciplinary team meetings.

The Trust annually prepares a Clinical Audit Programme. This programme prioritises work to support learning from serious incidents, risks, patient complaints and to investigate areas for improvement. The results of all audits, along with the actions arising from them, are published in the Trust Clinical Audit Annual Report and on the Trust's intranet to ensure all staff are able to access and share in the learning.

What is Clinical Audit?

Clinical audit is a quality improvement cycle that involves measurement of the effectiveness of healthcare against agreed and proven standards for high quality and taking action to bring practice in line with these standards so as to improve the quality of care and health outcomes.

New Principles of Best Practice in Clinical Audit (Healthcare Quality Improvement Partnership, January 2011)



Participation in Clinical Research

The Trust is continually striving to improve the quality of its services and patient experience. Research is recognised by the organisation as being pivotal to this ambition.

Our commitment to conducting clinical research demonstrates our dedication to improving the quality of care we offer and to making our contribution to wider health improvements. Our healthcare providers stay up to date with new and innovative treatment options and are able to offer the latest medical treatments and techniques to our patients.

In response to the outbreak of SARS-CoV-2 and the subsequent statement by the Department of Health and Social Care, the set-up of all new clinical research projects and the participation of individuals in the majority of active clinical research projects were halted in March 2020. Exception was made to those studies where discontinuing them would have a detrimental effect on the ongoing care of individual participants involved. Following this decision, the Trust prioritised the delivery of COVID-19 research activity, a key element of the Government's overall response to the pandemic.

As the peak incidence of individuals admitted to hospital with COVID-19 reduced significantly towards the end of May 2020, attention was given to the identification of which of the portfolio of clinical research studies could start to reopen at the Trust. The policy was in line with Department of Health and Social Care and NIHR guidance, "Supporting the restart of paused NIHR research activities".

During the latter half of 2020/21 the Trust continued its efforts to contribute to quality National Institute for Health Research (NIHR) studies; focus efforts on collaborative research with academic partners to ensure the research conducted is of high quality, translational, providing clinical benefit for our patients in a timely manner; whilst balancing the prioritisation of the delivery of COVID-19 research activity.

Despite the challenges faced by the Trust, the number of patients receiving relevant health services provided or sub-contracted by Liverpool Women's NHS Foundation Trust in 2020/21 that were recruited during that period to participate in research approved by a research ethics committee was 1,316 of which, 880 were recruited into NIHR portfolio studies.

Liverpool Women's was involved in conducting 118 clinical research studies across our speciality areas of maternity, neonates, gynaecology oncology, general gynaecology, reproductive medicine, anaesthetics and genetics during 2020/21. This figure also included 14 COVID-19 related studies that were opened and delivered at the Trust during the year. At the end of 2020/21 a further 28 studies were in set up, including 6 industry studies and a further 2 COVID-19 research studies.

There was approximately 87 clinical staff contributing to research approved by a research ethics committee at Liverpool Women's during 2020/21. These staff contributed to research covering a broad spectrum of translational research from basic research at the laboratory bench, through early and late clinical trials, to health systems research about healthcare delivery in the community.

Our research has contributed to the evidence-base for healthcare practice and delivery, and in the last year, 109 publications have resulted from our involvement in research, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS.

Key research achievements during 2020/21 can be summarised as follows:

- The response to the COVID-19 pandemic within Liverpool demonstrated willingness to pool and manages collective resources. The Strategic One Liverpool Partnership for COVID (STOP COVID) was established - a city-wide framework which aimed to support, accelerate and assess research-based innovations within the Liverpool City region by providing a single approval route for all grant applications for COVID related research, to ensure that the University and NHS partners, where applicable, had the capacity to undertake research safely.
- Participation in the City-wide Gold / Silver / Bronze research command and control process provided a structured approach to cross-organisational discussion, decision making, and an ideal platform for successful collaboration.
- In response to a surge in COVID-19 research activity in Liverpool as a result of the second/third waves, the Trust became actively involved in supporting the Liverpool School of Tropical Medicine with the delivery of the Astra Zeneca / Oxford and the COMCOV II vaccine trials. Research nurses were also deployed to Liverpool University Hospitals NHS Foundation Trust in order to provide support to interventional COVID research trials.
- Commencement of COPE: The Carboprost or Oxytoin haemorrhage Effectiveness study. A grant award of approximately £1.8 million in response to a commissioned call by the National Institute for Health Research HTA will support a 4 year study aiming to randomise nearly 4,000 women following a clinician's decision to give treatment to stop bleeding caused by a postpartum haemorrhage.
- The "Communication Assessment in personal Protective Equipment (CAPE)", designed and undertaken by Dr Alexander Malin a Clinical Fellow in Anaesthesia investigated the effects of personal protective equipment (PPE) including face masks and visors on verbal communication. As the use of PPE increased in frequency due COVID-19 the study sought to assess how much PPE can limit verbal communication as well as identifying potential methods to overcome these barriers. Dr Malin presented his findings at the combined Mersey & North Anaesthetic Trainee regional meeting and was awarded second place out of 26 presentations. He was also awarded the Jackson Rees Medal from the Liverpool Society of Anaesthetists.
- Following the appointment to the post of Consultant in Sexual and Reproductive Health, Dr Paula Briggs in association with Robinson Healthcare, has developed a speculum to assist in the diagnosis of urogenital atrophy for use in both primary and secondary care. The validation of this objective method of diagnosing urogenital atrophy and assessing response to treatment will facilitate ongoing research in relation to this condition.

Use of the Commissioning for Quality and Innovation (CQUIN) Payment Framework

Activity related to CQUINS was suspended during the covid-19 Pandemic. As with all activity which was suspended from central monitoring the Trust continued to ensure where able we continued to focus on and achieve key requirements:

- Staff Flu Vaccinations – in 2020 the Trust achieved over 70% of staff receiving the vaccination
- Three High impact Falls – falls continued to be monitored monthly as part of the trust performance report at the Safety Senate.
- Alcohol & Tobacco – Screening and Advice – work on this area continued as part of the Trust MECC process in line with the CCG
- Neonatal Staffing – this is closely monitored on a daily basis and as part of the monthly staffing report to board and the biannual report.

Care Quality Commission

Liverpool Women’s NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is “registered without conditions”.

The Care Quality Commission has not taken enforcement action against Liverpool Women’s NHS Foundation Trust during 2020/21.

Liverpool Women’s NHS Foundation Trust has not participated in special reviews or investigations by the Care Quality Commission during the reporting period.

What is the Care Quality Commission?

The Care Quality Commission (CQC) undertakes checks to ensure that Trusts are Safe, Caring, Responsive, Effective and Well-led. All NHS Trusts are required to register with them. If the CQC has concerns about a Trust it can issue a warning notice or even suspend or cancel a Trust’s registration.



When Liverpool Women’s was last formally inspected, in 3rd to 5th December 2019 for core services and 14th to 16th January 2020 for ‘well-led’, the CQC rated it as overall **GOOD**. Full results are shown in the table that follows:

Safe	Effective	Caring	Responsive	Well-led	Overall
Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Requires improvement ↓ Apr 2020	Good ↔ Apr 2020

The rating for well-led is based on our inspection at trust level, taking into account what we found in individual services. Ratings for other key questions are from combining ratings for services and using our professional judgement.

Ratings for Liverpool Women's Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Maternity	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Outstanding ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020
Gynaecology	Requires improvement ↓ Apr 2020	Requires improvement ↓ Apr 2020	Good ↔ Apr 2020	Requires improvement ↔ Apr 2020	Requires improvement ↔ Apr 2020	Requires improvement ↔ Apr 2020
Neonatal services	Good ↓ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020
End of life care	Good May 2015	Good May 2015	Good May 2015	Good May 2015	Good May 2015	Good May 2015
Outpatients	Good Mar 2020	Not rated	Good May 2020	Good May 2020	Good May 2020	Good May 2020
Overall*	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020	Good ↔ Apr 2020

*Overall ratings for this hospital are from combining ratings for services. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

The Trust received an overall rating of 'Good' with a 'Requires improvement' for Well- Led.

- Maternity received an overall 'Good' with '**Outstanding**' for Responsiveness
- Gynaecology received an overall 'Requires improvement' with 'Good' for Caring
- Neonatal services received an overall 'Good'.

During the Core Services inspection conducted 3-5 December 2019, the CQC issued the Trust with a warning notice which stated a failure to ensure that systems and processes were effectively established to ensure the proper and safe management of medicines. All requirements of the notice were met in the required timeframe with evidence provided; the notice was lifted by the CQC. As part of the development in relation to medicines safety two initiatives have been implemented; weekly medicines safety meeting, which reviews all medicines incidents from the previous week and the medicines safety bus which goes round wards and department weekly discussing incidents findings and providing support and advice to staff.

During 2020-21 the Trust has continued to work on the action contained in the action plan with monitoring by the Quality Committee. New process and procedures have been introduced with associated local audits for assurance. One new process which has been implemented is the automated monitoring of fridge temperatures with the system 'Moinca', which will also alert pharmacy staff to identify when a fridge temperature has gone out of range.

There are two actions which remain outstanding at the time of this report and continue to be monitored by the Quality Committee: care of the under 18 year's olds in all areas and compliance with Referral to Treatment (RTT).

Under 18 Year olds – a lot of work has been undertaken in relation to this area of children's and young person's being cared for at LWH, including the production of a trust policy for the management of care, pain score, care of the deteriorating patient procedure, Standards for vital sign monitoring, plan to introduce PEWS (Paediatric Early Warning Score) chart linked to the deteriorating patient

and the recruitment of a lead nurse of Children and Young Persons. Work is ongoing to develop a bespoke in house training programme for clinical staff caring for children and young persons.

Referral To Treatment (RTT) – Due to the pandemic RTT and clinical activity came under national and regional control and guidance and the Trust has followed this throughout. The activity has continued to be monitored by the CCG and NHSE/I. As per national guidance all patients waiting for treatment have had regular reviews and also harms review to ensure where symptoms or requirements changed these were reprioritised and if required the care of the patient continued. The Trust has a full recovery plan in place in line with national guidance.

Data Quality

Liverpool Women's NHS Foundation Trust continues to hold regular data quality subcommittees to support the improvement of the data available to clinicians and senior managers within the Trust. These focus on specific specialties and have representation from key decision makers within the Divisions.

The Trust continues to follow an internal programme of audit of important data sets and selected key performance measures and reports a high standard of completeness in the results of these audits.

The Trust monitors data quality through a regular Data Quality Sub-Committee that reports through the Information Governance Committee to the Finance, Performance and Business Development Committee and focusses on specific specialties to ensure regular representation from senior managers and clinicians. This provides a forum for digital and operational staff to discuss issues and key data items relating to their specialty. Regular data quality reports, validations and audits are undertaken to provide me with assurance that submitted data is representative of the Trust's activity.

During 2020/21, the Trust commissioned external audits with regards to Referral to Treatment (RTT) and Cancer Waiting Times (CWT). RTT accuracy was 97%, CWT 100%. Internal clinical coding audits undertaken by an approved clinical coding auditor continue to show high levels of accuracy in line with previous external audits and the Data Security & Protection Toolkit high assurance requirements.

The quality of performance information used across the Trust is assessed using a structured approach. All patient NHS numbers are checked and validated against national data on a weekly basis, patient level activity data is validated against plan on a monthly basis, including consistency checking across hospital/clinical patient record systems and a central data warehouse, and datasets are verified through two external sources. Our data is then further reviewed to compare against other providers to ensure our clinical performance is satisfactory or better using data provided via CHKS (an independent provider of healthcare benchmarking intelligence and for validation against national expectations using data provided by SUS (Secondary Uses Service) which is part of the NHS). Summary and data level reports are provided to our clinical divisions following a quality checking process to allow them to correct any errors and review data entry processes.

Performance reports are in place across meetings and committees and the Trust has implemented the use of statistical process control (SPC) charts across every KPI measuring both performance and the underlying data.

Information Governance

The defining feature of the 2020/2021 financial year was the impact that the Covid-19 healthcare emergency had on almost every area of the Trust. As well as affecting the operations of the Trust, the Covid-19 emergency also changed the compliance external reporting requirements to which the Trust must operate, which was most evident in the relaxing of some reporting deadlines. Ordinarily, all Trusts are required to submit their end of year Data Security and Protection (DSP) Toolkit position at the end of March each year but the effects of Covid-19 meant that the normal end of year deadline was moved from the end of March 2021 to the end of June 2021. Because of this, at the time of writing, the Trust did not have an end of year DSP Toolkit submitted position. The Trust though is, as always, operating with an expectation that the submitted position that will be made in June, will be “Standards Met”.

In November 2020 the Trust was subject to an independent readiness audit, which was not intended to give an actual assurance opinion but instead provide an indicative opinion on whether the Trust’s Information Governance processes were operating effectively. There were no issues raised by the audit that would suggest the Trust’s Information Governance processes and arrangements were not operating effectively, which itself signalled that the Trust was well positioned in its overall aim to achieve “Standards Met” by the June submission deadline.

During 2020/2021 there were no incidents that required reporting to the Information Commissioner’s Office (ICO).

Clinical Coding

Liverpool Women’s NHS Foundation Trust commissioned an external clinical coding audit in 2019-20 in line with the Data Security & Protection Toolkit guidelines. Good practice was noted in relation to the structure of the Clinical Coding Department, which was found to provide a supportive working environment with good channels for professional progression within the structure. The audit reported well-structured policies and procedures that effectively support the running of the department with active engagement from clinical staff.

The Clinical Coding Department’s Internal Audit Programme in 2020/21 found the overall accuracy of clinical coding to be of a high standard, meeting ‘Standards Exceeded’ level for DSPT. The Trust has a high level of assurance that clinical coded data submitted is accurate and complete, supporting patient care and contributing to effective management.

Duty of Candour

The Francis Inquiry report into Mid Staffordshire NHS Foundation Trust recommended that a statutory duty of candour be introduced for health and care providers. This is further to the contractual requirement for candour for NHS bodies in the standard contract, and professional requirements for candour in the practice of regulated activity.

In interpreting the regulation on the duty of candour Liverpool Women’s NHS Foundation Trust use the definitions of openness, transparency and candour used by Robert Francis in his report. The thresholds and harm definitions of moderate and severe harm are consistent with existing National Reporting and Learning System (NRLS) definitions, including prolonged psychological harm. The Trust records all specified instances in which it applies duty of candour on its Ulysses Risk Management system.

Duty of Candour requirements are covered by the Care Quality Commission's (CQC) Regulation 20. Trust Management are keen to confirm compliance with key aspects of Regulation 20, where they are aware that an incident has arisen requiring a Duty of Candour response.

A Duty of Candour Trust Audit completed in In April 2021 demonstrated that the Trust was 100% compliant with the Regulatory requirement for Duty of Candour. The audit examined the Trust policy and procedures and reviewed all incident where Duty of Candour Applied to identify if all requirements had been completed.

Fair and Just Culture

A Fair and Just (F&J) Steering Committee has continued to meet with the 15 F&J trained leaders and others across the Trust, although at a reduced rate during the Covid-19 Pandemic to continue to develop an operational plan and focus on staff and patient engagement. Policies have been reviewed to incorporate Fair & Just principles and processes. The steering committee continue to review areas where the use of F&J framework can be most beneficial to staff and the Trust. The Trust has been reviewing its Root Cause Analysis training for patient safety incidents to become a more generic Investigator training so staff has the same level of abilities and skill to undertake all types of investigations across the Trust.

During the Covid-19 pandemic a review of the current method for providing F&J training for all staff has been undertaken with alternative methods rather than face to face books clubs being identified and reviewed a new training framework is planned for 2021-22.

The use and implementation of the F&J decision framework continues to be worked on and the trust has seen a changes in the language used when dealing with issues and incidents to one of being more fair and just rather one of blame. The senior management team have continued to re-inforce the principles of the Fair and Just not just in meeting but as part of communication to staff.

Junior Doctor Staffing

During 2020 - 2021, junior doctors worked differently due to covid. This included working emergency rota patterns, telemedicine working and virtual clinics. As noted in Guardian of Safe working of Hours, covid did have an impact on training and this was addressed by the Director of Medical Education with a clear plan in place to ensure no trainee was disadvantaged when normal rotas were re-introduced to the services. The Guardian has also saw an increase in exception reporting due to hours worked and missed breaks. The Guardian continues to work with the clinical leads to ensure any issues regarding exception reports are managed and addressed.

Due to the national government guidance and the requirement for staff to shield for health issues and those staff from 28 weeks pregnant and long-term sickness. There was also an increase in doctors in difficulty during these periods that were well supported by both the Trust and the Lead Employer. The gaps throughout the year fluctuated more than usual and therefore the number of gaps is not detailed in this paper due to the differing numbers on a monthly basis.

Obstetrics and Gynaecology

The Trust continued to fund an additional 11 WTE Trust employed doctors who are employed to support the junior doctor rotas within O&G. Although there has been much success over the years, there was a financial impact to the Trust as the O&G rotation was over established. The Trust posts also enabled the service to cover absences due to Covid including shielding. The service is keen to continue with the research posts as the posts benefit the Trust by covering gaps and supporting

the rotas, whilst the research posts give the doctors a good foundation in research enabling them to apply for future subspecialty posts. The service will continue to review these posts throughout the coming year.

The over establishment allowed the service to double up some trainees during out of hours. This was put in place to ensure the less experienced doctors such as foundation and GP trainees had support when working out of hours as some of these doctors have not worked in obstetrics before and could at times find it daunting. There has also been an increase in mental health illness amongst trainees and again, these trainees are well supported when on shift. It also, when necessary enables struggling trainees to work part of an on call block.

Due to the above, the service has not relied on agency doctors to cover gaps on the junior doctor rota. The current cohort of doctors have been able to cover the gaps ensuring that the areas are covered by doctors who are familiar with the patients and hospital systems and protocols.

Anaesthetics

Anaesthetics continue to workforce plan by appointing Trust grade doctors who are in-between training or those who need some additional support when sitting their exam to gain ST3 placements. As the Anaesthetic service receives a number of CT2 trainees who do not have obstetric experience the Trust grade doctors support the rotas whilst the CT2 trainees are trained in obstetrics enabling them to work out of hours safely. The service saw an increase in absences much related to covid during the year and were able to cover all gaps with doctors in training.

Neonates

As previously detailed, the neonates' junior doctor staffing is well supported by Neonatal Advance Nurse Practitioners. During quarter 1 of this year, 2 trainees were seconded to Alder Hey to help support their services. This is not impact on the LWH due to good robust planning.

Genetics

Staffing in genetics remains consistent with no concerns regarding staffing. The service does not work out of hours therefore there is no requirement to cover vacancies.

Reporting against Core Indicators

All NHS Trusts contribute to national indicators that enable the Department of Health and other organisations to compare and benchmark Trusts against each other. As a specialist Trust, not all of them are relevant to Liverpool Women's. This section of the report gives details of the indicators that are relevant to this Trust with national data included where it is available for the reporting year.

30 Day Emergency Readmission Rates

The first category of patients benchmarked nationally is those aged 0-15. The Trust admits fewer than 10 patients in this age category each year and so benchmarking of readmissions with other Trusts is not of any meaning.

The table below shows the percentage of patients aged 16 and above who were readmitted as an emergency within 30 days:

Trust 2020/21	Trust 2019/20	Trust 2018/19	National Average 2018/19 figures
3.35%	3.04%	9.85%	14.4%

Liverpool Women's considers that this data is as described for the following reasons: readmission rates can be a barometer of the effectiveness of all care provided by a Trust. Liverpool Women's is committed to providing effective care.

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: continue to monitor the effectiveness of surgical and post-operative care using this indicator.

Trusts Responsiveness to Personal Needs of Patients

One of the care goals of the Liverpool Women's NHS Foundation Trust is to provide the best patient experience. We use the information provided from our patients to tell us that the experience they have of the treatment and care they receive on their journey through the NHS and how we can be even more important to them than how clinically effective care has been.

To be able to achieve this we work to ensure that all patient individual personal needs are identified and dealt with in the most appropriate manner. Working with patients in partnership is key to a good patient experience which can have a significant impact on their maternity experience and the birth of their baby, experience of the gynaecology services throughout patients department and inpatient ward and their recovery or a peaceful death.

In relation to Neonatal care a close relationship is built up with parents who have babies on the neonatal unit no matter how short a time that may be to ensure not only that the parent can be involved in their babies care as much as they are able but to also allow them to form a key essential bond with their baby. This has been even further evidenced by the successful completion of the new Neonatal Unit, the design of which was influenced by engagement with the parents of babies who have been on the Unit.

Within the Gynaecology in patient service all patients have an individualised care plans in place from when they are admitted, which are updated as the patient condition changes. These are reviewed by the Matrons and Head of Nursing to ensure that they are of a high quality and meet the patient's needs. There is a close working relationship with the safeguarding team in relation to ensuring that patient with Learning disabilities have reasonable adjustments in place prior to coming into hospital and for patients with Mental health issues is that there are process and procedures in place to support them whilst in the hospital environment.

Also within the unit there is a process of intentional rounding completed by the ward staff, ward manager and matrons to ensure that core care requirements are being met. This process is monitored via the use of ward nursing metrics system. The gynaecology ward had also introduced a daily huddle to clearly identify patients' needs and where applicable additional support if required.

In relation to the maternity service, all women have an individualised birth plans which is developed during their pregnancy, to ensure that as far as is possible during the woman's maternity care she has the best experience she would like to have to meet with her own personal needs. Birth plans are viewed by one of the Matrons to ensure that the plans are appropriate and written to meet the personal needs of the individual women.

NHS Trusts are required to have robust processes in place to ensure that essential standards of quality and safety are maintained in line with standards set by the Care Quality Commission (CQC) and Health and Social Care Act (2008). The desired outcome is that a patient's experience of care is safe, positive and clinically effective.

The process of Ward Accreditation has been introduced by the Director of Nursing and Midwifery which is a system of assessment of clinical environments to ensure that the highest standards of care and environmental safety are achieved. Where there are issue then an action plan is put in place to address these with oversight by the Quality Committee. One assessed the ward or departments are given an award level, Gold, Silver, Bronze and White. From the first round of assessment Neonatal Unit was given a gold award, Delivery Suite was given a silver award, Midwifery lead Unit was given and Silver award as was Maternity base and the Gynaecology Unit and Theatres were given a white award.

Liverpool Women's Hospital Safeguarding Team was shortlisted for a 'Learning Disabilities Initiative of the Year' award at this year's HSJ Patient Safety Awards 2020, recognising their outstanding contribution to healthcare.

The project 'Using Virtual Reality as a Reasonable Adjustment', is bespoke to Liverpool Women's, and offers patients, who may find coming to hospital distressing, an immersive experience using three-dimensional virtual reality so they can experience the hospital and its surroundings before attending their appointment. By experiencing the hospital in the safety of their own home, it is hoped anxiety will be reduced thereby improving the experience for both the patient and their carer, removing a potential barrier to accessing care and reducing health inequalities. The project was been supported by external partners including those who support patients with learning disabilities and autism, and whilst virtual reality has been used as a therapeutic tool for reducing anxiety and phobias on an individual basis this will be the first time virtual reality has been used as a Reasonable Adjustment.

Whilst we, as a Trust, are always happy to accommodate the needs of those who find coming into hospital distressing and use various methods to reduce anxiety and provide reassurance; we have been limited to trying to describe what to expect using words and pictures or visiting when the hospital is quiet. This project not only embraced digital innovation but provides a much needed opportunity for our patients and their carers to experience actually being in hospital whilst remaining in the safety of their own home.

The Safeguarding Team was shortlisted despite the tough competition from hundreds of applicants. They have been selected based on their ambition, visionary spirit and the demonstrable positive impact that their project has on patient and staff experiences within the health and/or social care sector. The project unfortunately did not win at the HSJ Patient Safety awards but did wind a Digital Innovation Award

Staff who would recommend the Trust to their family or friends

All Trusts are asked to record the percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the trust as a provider of care to their family or friends. The table below shows how Liverpool Women’s compares with other specialist Trusts nationally:

LWH 20-21	LWH 2019-20	LWH 2018-19	Goal
82.0%	80.9%	77.5%	95.0%

Liverpool Women’s considers that this data is as described for the following reasons: although below the national average when measured against Specialist Trusts, Liverpool Women’s performs more favourably if grouped with other Acute Trusts

Whilst there was only a small increase in staff recommending the Trust as a place to receive treatment this is in line with an overall improving trajectory since 2017 in the Trust’s engagement score.

Venous Thromboembolism (VTE)

All Trusts are asked to record the number of patients receiving a VTE assessment expressed as a percentage of eligible ‘ordinary’ admissions. The table below shows how Liverpool Women’s compares nationally:

2020-21	2019-20	2018-19	2017-18	2016-17	National Target
91.06%	97%	97%	98%	98%	90%

Liverpool Women’s considers that this data is as described for the following reasons: the Trust has well established processes for assessing patients’ risk of VTE and consistently performs above average.

Clostridium Difficile

All Trusts are asked to record the rate of Trust apportioned C.difficile per 100,000 bed days. The table below shows how Liverpool Women's compares for past 4 years:

LWFT 20-21	LWFT 19-20	LWFT 2018-19	LWFT 2017-18	National Average
0	0	0	0	N/A

Liverpool Women's considers that this data is as described for the following reasons: the Trust takes extremely seriously its duty to prevent infection and provide care in a safe environment.

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: all cases will continue to be reported to the infection control team, will have a root cause analysis and will be reported nationally. The Trust will also review its range of interventions to ensure they remain fit for purpose.

Patient Safety Incidents

All Trusts are asked to record their number and rate of patient safety incidents per 1,000 bed days. The table below shows this data for Liverpool Women in the period 2020-21:

Indicator	LWFT 2019-20	LWFT 2020-21
No. PSIs	4479	4233
No. Severe Harm or Death incidents	1	10
Severe Harm and Death incidents as % PSIs	0.0002%	0.002%

A specific focus has been on Medicines Incidents with new medicines safety group being introduced which has been in place for almost 12 months at the time of writing this report. The group report to the Medicines Management Committee, meet weekly, chaired by Head of Nursing for Gynaecology, with a remit to review all meds incidents reported and closed. Identify themes, patterns and trends. Review assurance provided for closure and re-open where necessary. Meet with Matrons monthly to discuss issues. Matrons provide a regular report to the group to provide assurance and ongoing action to address issues.

The members of the Medicines Safety Group go out and about with the medicines safety bus to discuss medicines safety issues, share learning, discuss ongoing issues and seek staff views on how we can improve safety incidents.

A regular Lesson of The Week feedback to staff from Medicines Safety Group is on Trust learning page which is accessible from the desk top of all computers in the Trust.

Part 3

Other Information



Performance against Key National Priorities and National Core Standards

NHS improvement sets out their approach to overseeing NHS Foundation Trusts' compliance with the governance and continuity of service requirements of the Foundation Trust licence. This section of the report shows our performance against the indicators NHS Improvement set out in this framework, unless they have already been reported in another part of this report.

Last year was a particularly challenging one for the NHS; the covid 19 pandemic affected all trusts and we were no different. All trusts were expected to provide the highest standards of care while managing an evolving and ever changing landscape in response to the pandemic. The trust continued to provide safe, high quality care to our patients. With the cessation of all non-cancer elective activity between April and 1st June our performance against wait time standards understandably declined. With the exception of A&E wait times, Cancer 2 Week Wait time, Never Events, Incidence of MRSA and Clostridium Difficile Lapses we did not achieve national target.

Details of the national targets that are required to achieve are set out below, together with our actual performance:

Indicator Name	Target	Performance 2020/21	Achieved/Not Achieved
A&E Clinical Quality - Total Time in A&E under 4 hours (accumulated figure)	95%	97.0%	Achieved
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral) - post local breach re-allocation (accumulated figure)	90%	70%	Not Achieved
Cancer 31 day wait for second or subsequent treatment – surgery (accumulated figure)	94%	93.5%	Not Achieved
Cancer 31 day wait from diagnosis to first treatment (accumulated figure)	96%	90.8%	Not Achieved
Cancer 2 week (all cancers) (accumulated figure)	93%	96.3%	Achieved
Clostridium difficile due to lapses in care (accumulated figure)	0	0	Achieved
Never Events	0	1	Not Achieved
Incidence of MRSA bacterium	0	1	Not Achieved
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	62.0%	Not Achieved

Cancer 62 Day Waits for first treatment (from urgent GP referral) - post local breach re-allocation (accumulated figure)	85%	48.8%	Not Achieved
Maximum 6-week wait for diagnostic procedures	99%	72.37%	Not Achieved

Overall, the Trust performed well against a range of national standards during the year but failed to achieve the key standards for Referral to Treatment, Cancer 31 day wait from diagnosis to first treatment and Cancer 62-day performance.

For Referral to Treatment, including diagnostics, the Trust has ensured that longest waiting patients are cared for appropriately to mitigate risk of harm where standards are not achieved, and we have worked productively throughout the year with commissioners and partners to effect improvements in performance. The Trust has implemented the national clinical validation programme across our elective care patients to ensure patients are treated on a clinical priority basis not just chronological date of referral.

Performance against the Cancer standards has improved from the previous year, and we have successfully recruited 2 full time sub speciality gynaecology-oncologists addressing the shortfall seen in previous year in clinical capacity and workforce shortages at a consultant level. We have worked collaboratively with the Cheshire and Mersey Cancer Alliance to ensure a pan-regional to address challenges associated with the Cancer standard and improve performance. In response to the COVID-19 pandemic we have been the gynaecology tumour hub for the Cheshire and Mersey Cancer Alliance supporting other trusts in delivering their care. This work has proved successful in identifying areas for further collaboration and facilitated a renewed focus on streamlined models of care and access to diagnostic services.

Ockenden Report – LWH Trust Response

On the 10th December 2020 the first report from Donna Ockenden was published following clinical review of the first 250 cases where concerns had been raised over the care the patients received from the maternity unit at The Shrewsbury and Telford Hospital NHS Trust. This report describes important findings from the significant concerns raised from these reviews and their associated actions for all Maternity Units in England and not just related to the Trust themselves.

<https://www.gov.uk/government/publications/ockenden-review-of-maternity-services-at-shrewsbury-and-telford-hospital-nhs-trust>

The report states: ‘After reviewing 250 cases and listening to many more families, this first report identifies themes and recommendations for immediate action and change, both at The Shrewsbury and Telford Hospital NHS Trust and across every maternity service in England’ (p vi).

The report describes these changes Local Learning for The Shrewsbury and Telford Hospital NHS Trust and Immediate and Essential actions for all maternity services.

NHS England have requested that maternity services implement all 7 Immediate and Essential Actions (IEAs) described in the document and they have identified 12 urgent clinical priorities from

these 7 IEAs s. All maternity services have been asked to provide assurance that they comply with these 12 urgent clinical priorities.

The LMS asked for all maternity services within the region for assurance that these priorities have been implemented by 18th December 2020. This will then be discussed at an LMS meeting on the 21st December 2020. The LMS confirmed the assurance levels in the submission and signed off the document and it was forwarded to NHSE.

The maternity team have collated evidence regarding compliance against the clinical priorities described and these were then reviewed by the Acting Director of Nursing and Midwifery, Incoming Medical Director and the Director of Finance and the level of assurance scored accordingly. The Executive team reviewed this prior to submission.

Outline of the Liverpool Women's NHS Foundation Process for the review of the Ockenden Report and Associated Actions

LWH has collated the available evidence and assessed itself against these urgent clinical priorities and reported to NHSE via the LMS. There was one area of noncompliance and 4 areas of partial compliance. The Trust has been particularly rigorous in being able to fully demonstrate compliance before signing and has some additional actions and evidence that it wishes to pursue.

In order to enable a robust and complete review of the maternity service against the Ockenden report and previous reports i.e. Kirkup report and to implement the recommendations we will:

- Establish a task and finish group to support progression of actions with senior executive oversight.
- Create a standing agenda item on monthly maternity risk meeting to review the progress of action plans.
- Submit reports to Family Health Divisional Board for oversight and challenge against compliance.
- Submit monthly reports to Quality Committee for assurance.
- Submit quarterly reports to Safety Senate for assurance.
- Submit monthly updates to CCG and CQC for assurance.

At the time of this report the Task and Finish Group Chaired by the Director of Nursing and Midwifery has been established. A Trust action plan which includes core actions as well as action which are over the required actions have been included to ensure that care provided at LWH is safe and of a high quality. All actions required from the Ockenden report have all been completed with some work remaining on the additional Trust actions.

Kirkup report can be found at:

(<https://www.gov.uk/government/publications/morecambe-bay-investigation-report>)

Annex 1: Statements from our Partners

Liverpool Women's shares its Quality Report with commissioners, local Healthwatch organisations and Local Authority Overview and Scrutiny Committees. This section of the report details the responses and comments we have received from them.



NHS Liverpool Clinical Commissioning Group Quality Account Statement 2020-21 Liverpool Women's Hospital NHS Foundation Trust

Liverpool CCG, South Sefton CCG, Knowsley CCG, St Helens CCG and NHSE/ Specialised Commissioning welcome the opportunity to jointly comment on the Liverpool Women's Hospital NHS Foundation Trust Draft Quality Account for 2020/21. It is acknowledged that the submission to Commissioners was draft and that some parts of the document require updating. Commissioners look forward to receiving the Trusts final version of the Quality Account.

It is also acknowledged that the Trust has experienced unprecedented challenges this year due to the onset of the COVID-19 pandemic in early 2020. We would like to take this opportunity to thank the Trust and its staff for the work it has undertaken through the different waves of the pandemic to adapt and deliver care and for their support in providing mutual aid to support the wider system.

We have worked closely with the Trust throughout 2020-21 to gain assurances that the services they delivered were safe, effective, and personalised to service users. The CCGs share the fundamental aims of the Trust and support their strategy to deliver high quality, harm free care. The account reflects good progress on most indicators.

This account indicates the Trust's commitment to improving the quality of the services it provides and supports the key priorities for improvement of quality during 2020/21. Commissioners note the priorities and individual measures from 2019/20 were carried forward to 2020/21 while the Trust Clinical and Quality Strategy aims and priorities for 2020-2025 was being developed and those priorities for 2020/21 were:

- 1: Reduce avoidable harm
- 2: Achieve the best clinical outcomes
- 3: Provide the best Patient Experience

This is a comprehensive report that clearly demonstrates progress within the Trust. It identifies where the organisation has done well, where further improvement is required and what actions are needed to achieve these goals, in line with the new Trust Clinical and Quality Strategy Aims and Priorities for 2020-2025.

Through this Quality Account and on-going quality assurance process the Trust clearly demonstrates their commitment to improving the quality of care and services delivered.

The Trust places significant emphasis on its safety agenda; demonstrating commitment to continuous evidence based quality improvement and promotion of a fair and just culture. This is reflected in the work that the Trust has undertaken towards the Ockenden Report requirements for which the Trust have collated the available evidence and assessed itself against the urgent clinical priorities identified and reported to NHSE/I as required. The Trust has been particularly rigorous in being able to fully demonstrate compliance and has been open and transparent with the additional actions and evidence that it wishes to pursue in order to enable a robust and complete review of the maternity service against the Ockenden report.

The work that the Trust has undertaken to improve outcomes in 2020/21 on the following work streams is of particular note.

- Low numbers of Formal Complaints – demonstrating an effective PALs and PALs+ process.
- Open and transparent reporting of mortality and benchmarking described within the account in which the Trust have acknowledged the current Neonatal Mortality rate is above their goal and following a review by Birmingham Women’s Hospital Neonatal Team an external independent review has been commissioned via the North West Neonatal Operational Delivery Network who will undertake an Independent Mortality review commencing in March 2021 to inform learning and improvement.
- Excellent achievement and work regarding Communication Assessment in personal Protective Equipment (CAPE)
- Reduction in still births
- Low numbers of HCAI maintained – MRSA=1, Clostridium difficile =0, hospital acquired Covid-19 = 0
- Sepsis CQUIN achieved with timely identification and screening and treatment carried out for all patients when sepsis was suspected.
- New Neonatal Unit opened

The CCGs acknowledge the Trust’s work with commissioners and the continued involvement of patients and carers in developing options for the future, based on strong clinical evidence and the most rigorous standards of quality. CCGs would like the Trust to demonstrate a continued focus on clinical sustainability and safety as a stand-alone site through the implementation of the new Clinical and Quality Strategy.

Commissioners are aspiring through strategic objectives and five year plans to develop an NHS that delivers great outcomes, now and for future generations. This means reflecting the government’s objectives for the NHS set out in their mandate to us, adding our own stretching ambitions for improving health and delivering better services to go even further to tailor care to the local health economy. Providing high quality care and achieving excellent outcomes for our patients is the central focus of our work and is paramount to our success.

It is felt that the priorities for improvement identified by the Trust for the coming year are reflective of the current issues across the health economy. We therefore commend the Trust in taking account of opportunities to further improve the delivery of excellent, compassionate, and safe care for every patient, every time.



Jane Lunt
Chief Nurse
NHS Liverpool CCG
25.06.2021

Signed on behalf of the chief Nurses for Liverpool, South Sefton, Southport & Formby and Knowsley CCGs

Liverpool Women's Hospital Quality Account 2020-21 commentary

Healthwatch Liverpool welcomes the opportunity to comment on this 2020-21 Quality Account for the Liverpool Women's Hospital NHS Foundation Trust.

We base our commentary on the Quality Account report itself, our engagement with the Trust, and feedback and enquiries that we receive throughout the year. Due to the Covid-19 pandemic our annual Listening Event at the Trust could not take place.

The document sets out the priorities for 2020-25 that the Trust has set itself, including the laudable but ambitious goal of zero stillbirths, zero maternal deaths, and zero never events. We look forward to learning about actions and outcomes in the coming years.

2020-21 has been a year like no other for the NHS and NHS staff, and the Quality Account refers to some of the challenges that the Trust has faced during the ongoing Covid-19 pandemic. This includes pressures on staffing levels due to staff being off with Coronavirus, having to self-isolate or having to shield. Earlier on in the pandemic certain elective (planned) activities were not carried out for several months, and many pathways were changed.

The document also reflects some of the impact of the pandemic on patients, who could not have anybody accompany them to appointments or receive visitors, and only have birth partners present at later stages. Some had appointments and/or procedures cancelled, and feedback we received reflected all of this. We were pleased to note that some patient feedback was included in the document.

We welcome that the Trust set up a Family Liaison Service in response to some of the restrictions, which although no substitute for seeing family and friends, helped patients and relatives to be kept informed in other ways.

Across the NHS delays to treatment increased as a result of the pandemic, including referral to treatment times and elective care.

However, the document outlines that regular reviews are carried out by the Trust to assess individual patients' risks, and that no harm has been detected. We believe that this is an important message to communicate and emphasise, to reassure patients and their families and friends during a worrying time for many.

The Trust has continued to address cancer treatment waiting times issues which were already apparent before the pandemic. Some improvements have been made, but most waiting time targets are yet to be achieved; we hope to see further improvements to this in the coming year, although we acknowledge the additional pressures.

We were pleased to see that the Trust did not have any direct maternal deaths again this year, and that learning from deaths in other areas continues, especially as there was an increase in neo-nates mortality this year.

The Trust is taking action to address the recommendations that came out of the Ockendon review of maternity services, published in December 2020.

In January 2021 a confidential national inquiry into maternal deaths reported the higher risks of dying during childbirth for Black, Asian and Minority Ethnic women. Whilst the Trust did not experience any direct maternal deaths we would be interested whether there are any learning points in terms of addressing any inequality issues.

We would like to congratulate the Trust for being shortlisted for a Health Services Journal Patient Safety Award for what looks to be an innovative virtual reality project that familiarises patients with the hospital environment before visits. The Quality Account mentions it is used for patients with a learning disability, but we wonder if it could be of benefit for anyone who is more apprehensive about hospital appointments and/or stays?

Regular engagement with the Trust was re-established this year after a hiatus due to the Covid-19 pandemic. When it is safe to do so, we aim to recommence our face-to-face engagement with patients and visitors at the Trust. In the meantime we continue to gather feedback via surveys, enquiries and online focus groups.

We look forward to working with Liverpool Women's Hospital in 2021-22, helping to ensure that patients' voices continue to be central in celebrating good practice, and in feeding back if and where improvements could be made.

Annex 2: Statement of Directors' Responsibilities

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

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

There is no requirement for a foundation trust to prepare a quality report and include it in its annual report for 2020/21. There is also no requirement for a foundation trust to commission external assurance on its quality report for 2020/21. However, directors should assure themselves that the content of the quality report is not inconsistent with internal and external sources of information including:

- board minutes and papers for the period April 2020 to May 2021
 - papers relating to quality reported to the Board over the period April 2020 to May 2021
 - feedback from commissioners – received 25 June 2021
 - feedback from governors – whilst a draft full Quality Report has not been presented to a Council of Governors meeting opportunities for discussions have taken place at the Quality & Patient Experience sub-group
 - feedback from local Healthwatch organisations – received 24 June 2021
 - feedback from overview and scrutiny committee - requested but not received
 - the Trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009
 - the national staff survey May 2021
 - the Head of Internal Audit's annual opinion of the Trust's control environment
 - CQC inspection report dated 22/04/2020
- the quality report presents a balanced picture of the NHS foundation trust's performance over the period covered
 - the performance information reported in the quality report is reliable and accurate
 - there are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice
 - the data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review

- the quality report has been prepared in accordance with NHS Improvement’s annual reporting manual and supporting guidance (which incorporates the quality accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the quality report.



Robert Clarke
Chair
10th June 2021



Kathryn Thomson
Chief Executive
10th June 2021

Annex 3: External Auditor's Limited Assurance Report

Independent Auditors' Limited Assurance Report to the Council of Governors of Liverpool Women's Hospital NHS Foundation Trust on the Annual Quality Report

(Not required for 2020/21)

Annex 4: Glossary of Terms

Assisted Conception	The use of medical procedures to produce an embryo.
CCG	Clinical Commissioning Group – Local groups of GP practices commissioned health services from the Trust for their patients.
Epidural	Form of regional analgesia used during childbirth.
Established Labour	The period from when a woman is 4 cms dilated and contracting regularly.
Gynaecology	Medical practice dealing with the health of the female reproductive system.
Gynaecological Oncology	Specialised field of medicine that focuses on cancers of the female reproductive system.
Haemorrhage	The flow of blood from a ruptured blood vessel.
HES	Hospital Episodes Submission.
HFEA	Human Fertilisation & Embryology.
HIE	Hypoxic Ischaemic Encephalopathy is an acute disturbance of brain function caused by impaired oxygen delivery and excess fluid in the brain.
HSCIC	Health and Social Care Information Centre.
Intraventricular Haemorrhage	Bleeding within the ventricles of the brain.
Intrapartum	Occurring during labour and delivery.
LWFT (sometimes LWH)	Liverpool Women's NHS Foundation Trust.
Maternity	The period during pregnancy and shortly after childbirth.
MBRRACE -UK	Mother and Baby Reducing Risks through Audits & Confidential Enquiries across the UK.
Neurological	The science of the nerves, the nervous system and the diseases affecting them.
Neonatal	Of or relating to newborn children.
NICE	National Institute for Health and Care Excellence.
NIHR	National Institute for Health Research.
NNAP	National Neonatal Audit Project.
NMR / NNMR	Neonatal Mortality Rate; Deaths of infants in the newborn period.
NRLS	National Reporting & Learning System.
ONS	Office for National Statistics.
PALS	Patient Advice & Liaison Service.
Perinatal	The period surrounding birth.
Periventricular Leukomalacia	A form of brain injury involving the tissue of the brain known as 'white matter'.
PHE	Public Health England.
Postnatal	Term meaning 'After Birth'.
Post-operative	Period immediately after surgery.
Pre-eclampsia	A condition involving a number of symptoms including increased maternal blood pressure in pregnancy and protein in the urine.
RCOG	Royal College of Obstetrics & Gynaecology.
Root Cause Analysis	A method of problem solving used for identifying the root causes of faults or problems.
SGA	Small for Gestational Age.

Tissue Viability	Tissue Viability is about the maintenance of skin integrity, the management of patients with wounds and the prevention and management of pressure damage.
Ultrasound	Sound or other vibrations having an ultrasonic frequency, particularly as used in medical imaging.
VTE	Venous Thrombo-embolism; this describes a fragment that has broken away from a clot that had formed in a vein.
VLBW	Very Low Birth Weight - babies born weighing less than 1500 grams
VON	Vermont Oxford Neonatal Network.
WHO	World Health Organisation.

5. Independent Auditor's Report 2020/21

**To the Council of Governors of Liverpool Women's NHS Foundation Trust –
See over page**

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF LIVERPOOL WOMEN'S NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Liverpool Women's NHS Foundation Trust ("the Trust") for the year ended 31 March 2021 which comprise the Trust Statement of Comprehensive Income, Trust Statement of Financial Position, Trust Statement of Changes in Taxpayers Equity and Trust 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 the its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and 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 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 meet external expectations.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any usual 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 financial improvement trajectory targets, we perform procedures to address the risk of management override of controls, in particular the risk that Trust management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as asset valuations and impairments. On this audit we do not believe there is a fraud risk related to revenue recognition due to the temporary NHS funding arrangements that have been in place throughout the financial year and, due to their non-variable nature, we don’t believe there to be an incentive to manipulate other operating income streams that are material.

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 non-NHS expenditure during quarter 4 of 2020/21 and material non-pay/non-NHS payables at 31 March 2021.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Trust-wide fraud risk management controls.

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 entries made to unrelated accounts linked to the recognition of expenditure and other unusual journal characteristics.
- Assessing significant estimates for bias.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.
- Evaluating accruals posted as at 31 March 2021 and verifying accruals are appropriate and accurately recorded.
- Assessing the existence and accuracy of recorded expenditure throughout the financial year ended 31 March 2021.

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 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. 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.

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

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

- we have not identified material misstatements in the other information; and
- 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 NHS Foundation Trust Annual Reporting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2020/21.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 83, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of their services to another public sector entity.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

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

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

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

We have undertaken our review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and the use of 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 to report to you if:

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

We have nothing to report in these respects.

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

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Liverpool Women's NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.



Timothy Cutler
for and on behalf of KPMG LLP
Chartered Accountants
1 St Peter's Square,
Manchester
M2 3AE

15 June 2021

6. Foreword to the Accounts

Accounts for the period ending 31st March 2021.

The following presents the accounts for the Liverpool Women's NHS Foundation Trust for the period ending 31st March 2021.

The accounts have been prepared in accordance with the requirements as set out in paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 (the 2006 Act) in the form which Monitor, the Independent Regulator of NHS Foundation Trusts has, with the approval of the Treasury, directed.

Signed

A handwritten signature in cursive script that reads "Kathryn Thomson". The signature is written in black ink and is positioned to the left of a vertical line.

Kathryn Thomson
Chief Executive
10 June 2021

Liverpool Women's NHS Foundation Trust

Annual accounts for the year ended 31 March 2021

Statement of Comprehensive Income

		2020/21	2019/20
	Note	£000	£000
Operating income from patient care activities	2	112,594	103,393
Other operating income	3	17,906	12,619
Operating expenses	6.1	<u>(132,297)</u>	<u>(113,751)</u>
Operating (deficit) / surplus from continuing operations		<u>(1,797)</u>	<u>2,261</u>
Finance income	11	0	60
Finance expenses	12	(49)	(328)
PDC dividends payable		<u>(2,185)</u>	<u>(1,738)</u>
Net finance costs		<u>(2,234)</u>	<u>(2,006)</u>
Other gains	13	39	42
Losses arising from transfers by absorption	29	0	(25)
(Deficit) / surplus for the year		<u>(3,992)</u>	<u>272</u>
Other comprehensive income:			
Will not be reclassified to income and expenditure:			
Impairments charged to the Revaluation Reserve	7	<u>(6,807)</u>	<u>(174)</u>
Total comprehensive (expense) / income for the period		<u>(10,799)</u>	<u>98</u>

The Statement of Comprehensive Income records the Trust's income and expenditure in summary form in the top part of the statement and any other recognised gains and losses are taken through reserves under other comprehensive income.

All income and expenditure is derived from continuing operations. The Trust has no minority interest.

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Intangible assets	14	618	836
Property, plant and equipment	15	88,925	91,063
Receivables	19	543	624
Total non-current assets		90,086	92,523
Current assets			
Inventories	18	410	432
Receivables	19	4,976	6,329
Cash and cash equivalents	20	4,235	4,647
Total current assets		9,621	11,408
Current liabilities			
Trade and other payables	21	(17,172)	(18,123)
Borrowings	23.1	(614)	(15,223)
Provisions	24.1	(3,324)	(1,131)
Other liabilities	22	(3,136)	(2,918)
Total current liabilities		(24,246)	(37,395)
Total assets less current liabilities		75,461	66,536
Non-current liabilities			
Borrowings	23.1	(1,525)	(2,136)
Provisions	24.1	(766)	(808)
Other liabilities	22	(1,592)	(1,623)
Total non-current liabilities		(3,883)	(4,567)
Total assets employed		71,578	61,969
Financed by			
Public dividend capital		62,927	42,519
Revaluation reserve		7,522	14,329
Income and expenditure reserve		1,129	5,121
Total taxpayers' equity		71,578	61,969

The notes following the primary statements, numbered 1 to 31 form part of these accounts.

On the 2nd April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at the 1st April 2020 were extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow their repayment. Resultantly, as at the 31 March 2021, the affected Neonatal Capital loans totalling £14,572k have now been converted to PDC. However, in the prior year ending the 31 March 2020, these same Neonatal Capital loans totalling £14,572k were classified as Borrowings within current liabilities.

The financial statements contained within these accounts were approved by the Board of Directors on the 10 June 2021 and were signed on its behalf by:

Signed: 

Name : Kathryn Thomson
Job title: Chief Executive

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020	42,519	14,329	5,121	61,969
Surplus/(deficit) for the year	0	0	(3,992)	(3,992)
Impairments charged to the Revaluation Reserve	0	(6,807)	0	(6,807)
Public dividend capital received	20,408	0	0	20,408
Taxpayers' and others' equity at 31 March 2021	62,927	7,522	1,129	71,578

In 2020/21, the Trust received £20,408k of Public Dividend Capital and this related to the following:

- £14,572k PDC loans conversion - on the 2nd April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at the 1st April 2020 were extinguished and replaced with the issue of PDC to allow their repayment. Resultantly, during the 2020/21 financial year the affected Neonatal Capital loans totalling £14,572k were repaid by the Trust and the Trust was issued with £14,572k of PDC.

- £428k Neonatal Extension – following the reforms to the NHS cash regime for the 2020/21 financial year all capital and revenue loans are now to be issued as PDC. The Trust drew down the remaining £428k of the Trusts agreed Neonatal capital extension funding of £15m as PDC.

- £4,909k Emergency Capital - NHS England and NHS Improvement approved the Trust's plans to draw down £6,509k of PDC funding to fund improvements to the capital infrastructure and equipment at the Trust. It was agreed that £4,909k was to be funded as PDC in 2020/21 with the residual balance of £1,600k to be funded as PDC in 2021/22.

- £364k Critical Infrastructure Risk Funding - NHS England and NHS Improvement approved the Trust's plans to draw down £364k of PDC funding to fund improvements to the capital estates and building infrastructure of the hospital.

- £97k Workforce Roster System - this related to additional Department of Health funding that the Trust bid for and was successful in obtaining in relation to the implementation of a Workforce Electronic Roster System.

- £38k COVID Capital funding – this related to additional funding approved by NHS England and NHS Improvement in relation to specific capital purchases made by the Trust in response to the COVID-19 pandemic.

In 2020/21, the Trusts revaluation reserve reduced by £6,807k in year and this was in relation to a buildings valuation decrease as a result of the desktop valuation carried out by the Trust's external valuers Cushman and Wakefield as at the 31st March 2021.

In 2020/21, the Trusts income and expenditure reserve reduced by £3,992k in year and this was in relation to the Trust's recorded deficit in the 2020/21 financial year.

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2019	40,088	14,503	4,849	59,440
Surplus/(deficit) for the year	0	0	272	272
Impairments charged to the Revaluation Reserve	0	(174)	0	(174)
Public dividend capital received	2,431	0	0	2,431
Taxpayers' and others' equity at 31 March 2020	42,519	14,329	5,121	61,969

In 2019/20, the Trust received £2,431k of Public Dividend Capital. This related to additional Department of Health funding that the Trust bid for and was successful in obtaining in relation to the Global Digital Exemplar (GDE) Fast Follower Fund (£2,400k), the Cyber Resilience Programme (£31k).

In 2019/20, the Trusts revaluation reserve reduced by £174k in year and this was in relation to a Land and Buildings valuation decrease as a result of the full scale valuation carried out by the Trust's external valuers Cushman and Wakefield as at the 31st March 2020.

In 2019/20, the Trusts income and expenditure reserve increased by £272k in year and this was in relation to the Trust's recorded surplus in the 2019/20 financial year.

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Income and expenditure reserve

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

Statement of Cash Flows

	2020/21	2019/20
Note	£000	£000
Cash flows from operating activities		
Operating (deficit) / surplus	(1,797)	2,261
Non-cash income and expense:		
Depreciation and amortisation	6.1 5,327	4,606
Net impairments charged to operating surplus / deficit	7 0	304
Income recognised in respect of capital donations	3 (195)	(90)
Decrease in receivables and other assets	1,543	645
Decrease in inventories	22	13
Increase in payables and other liabilities	(1,401)	2,134
Increase / (decrease) in provisions	2,154	(2,934)
Other movements in operating cash flows	3	367
Net cash flows from operating activities	5,656	7,306
Cash flows from investing activities		
Interest received	0	60
Purchase of intangible assets	0	(486)
Purchase of Property, Plant and Equipment	(8,954)	(16,071)
Sales of Property, Plant and Equipment	48	42
Net cash flows used in investing activities	(8,906)	(16,455)
Cash flows from financing activities		
Public dividend capital received	20,408	2,431
Movement on loans from DHSC	(15,184)	3,685
Interest on loans paid	(91)	(308)
PDC dividend paid	(2,295)	(1,698)
Net cash flows from financing activities	2,838	4,110
Decrease in cash and cash equivalents	(412)	(5,039)
Cash and cash equivalents at 1 April - brought forward	4,647	9,066
Cash and cash equivalents transferred under absorption accounting	29 0	620
Cash and cash equivalents at 31 March	4,235	4,647

Notes to the Accounts:

Note 1 Accounting policies and other information

Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 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.

Going concern

The financial statements are prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case for the following reasons:

In 2020/21 the Trust did not require any additional revenue support loans to support the cash position. The Trust is no longer in receipt of distressed financing.

During 2020/21, the Trust's Neonatal Loans were extinguished per the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement's announcement on the 2nd April 2020 regarding reforms to the NHS cash regime. As a result of these reforms, during 2020/21 the Trusts' Neonatal Capital Loans of £14,572k were repaid to the DHSC and the Trust was issued with a corresponding £14,572k of Public Dividend Capital (PDC) to allow the repayment.

In 2020/21 the Trust continued to repay the yearly £612k principal balance of its Capital ITFF loan in accordance with the payment terms.

The Trust's expectation is that services will continue to be provided from the existing hospital sites in the short term.

In addition to the matters referred to above, the Trust has not been informed by NHSI that there is any prospect of its dissolution within the next twelve months and it anticipates the continuation of the provision of services in the foreseeable future as evidenced by the inclusion of financial provision for those services in published documents and contracts for services with commissioners.

Note 1.1 Interests in other entities

Liverpool Women's NHS Foundation Charitable Trust

The Liverpool Women's NHS Foundation Trust is the Corporate Trustee of the Liverpool Women's NHS Foundation Charitable Trust (Registration No. 1048294). The Trust has assessed its relationship to the Charitable Trust and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the Charitable Trust and has the ability to affect those returns and other benefits through its power over the Trust.

The Charitable Trust's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on FRS 102. The Trust has not consolidated the Liverpool Women's NHS Foundation Charitable Trust in its accounts on the grounds of materiality.

Segmental Reporting

The Trust's core activities fall under the remit of the Chief Operating Decision Maker (CODM), which has been determined to be the Board of Directors. These activities are primarily the provision of NHS healthcare, the income for which is received through contracts with commissioners. In 2020/21, these were fixed block contracts. The Trust's main commissioners are listed in the related party disclosure (see Note 30).

Although the Trust is organised into three separate clinical divisions (Family Health, Gynaecology and Clinical Support Services), these have been aggregated into a single operating segment. The divisions have similar economic characteristics, the nature of services are similar (NHS care), they have the same customers, and are reported internally in aggregate. The majority of the Trust's customers come from the City of Liverpool and surrounding areas, although the Trust also has contracts to treat patients from further afield including Wales and the Isle of Man. All divisions have the same regulators (NHS Improvement, the Care Quality Commission and the Department of Health). The overlapping activities and interrelation between the divisions also suggests that aggregation is appropriate. The divisional management teams report to the CODM, and it is the CODM that ultimately makes decisions about the allocation of budgets, capital funding and other financial decisions.

Note 1.2 Revenue

Note 1.2.1 Revenue from contracts with customers

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

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

Revenue from NHS contracts

The accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

2020/21

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at a Health and Care Partnership level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Comparative period (2019/20)

In the comparative period (2019/20), the trust's contracts with NHS commissioners included those where the trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of health care was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time.

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

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.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.2.2 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.

Note 1.2.3 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 1.2.4 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Note 1.3 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 accounts 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.

Holiday Pay Accrual

Leave outstanding per employee as at 31 March 2021 was assessed across the whole Trust and the accrual was calculated from this data.

Note 1.4 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 1.5 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Measurement

Valuation

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

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

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

Fair value of land and buildings are based on advice received from the independent and professional valuers Cushman and Wakefield. Valuations provided by the professional valuers for land and buildings as part of a desktop valuation as at the 31 March 2021 have been reflected in the 2020/21 accounts.

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.

In the 2018/19 financial year the Royal Institute of Chartered Surveyors (RICS) issued revised guidance relating to asset lives. This had the impact of reducing useful lives from the 31st March 2019 onwards, which impacted upon the 2019/20 financial year.

In the 2019/20 financial year, as a result of the COVID-19 pandemic and in applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 'Red Book', the external valuers Cushman and Wakefield declared a 'material valuation uncertainty' in the valuation report. This was on the basis of uncertainties in markets caused by COVID-19. Cushman and Wakefield have stated that they could attach less weight to previous market evidence and published build cost information, to inform opinions of value. The current response to COVID 19 meant that they were faced with an unprecedented set of circumstances on which to base a judgement. However, Cushman and Wakefield also commented that their 'material valuation uncertainty' declaration did not mean that the valuation could not be relied upon. This clause was a disclosure, not a disclaimer. It was used in order to be clear and transparent with all parties, in a professional manner that – in the current extraordinary circumstances – less certainty could be attached to the valuation than would otherwise be the case.

In the current 2020/21 financial year, the external valuers Cushman and Wakefield have made clear in their desktop valuation report that as at the valuation date property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, Cushman and Wakefield's valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 15.

Subsequent expenditure

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

Depreciation

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

Property, plant and equipment which have 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 income.

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

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

Impairments

In accordance with the *DH 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.

Useful Economic lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	0	0
Buildings, excluding dwellings	30	60
Dwellings	35	40
Plant and machinery	1	10
Information technology	1	5
Furniture and fittings	1	15

Note 1.6 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 only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

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

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

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

Amortisation

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

Useful economic life of intangible assets

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

	Min life Years	Max life Years
Software licences	1	5

Note 1.7 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs to completion and selling costs to be incurred. No provision is made for obsolete or slow moving items as they are not included within inventory valuations.

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 £2,322k of items purchased by DHSC. The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

Note 1.8 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 Liverpool Women's NHS Foundation Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.9 Carbon Reduction Commitment scheme (CRC)

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

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

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

Note 1.10 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, i.e., when receipt or delivery of the goods or services is made.

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.
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, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

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

De-recognition

All 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 of the risks and rewards of ownership.

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

Note 1.11 Leases

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

Note 1.11.1 The Trust as lessee

Finance leases

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

The Trust has no finance leases in which the Trust acts as a lessee.

Operating leases

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

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

Leases of land and buildings

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

Note 1.11.2 The Trust as 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.

The Trust has no finance leases in which the Trust acts as a lessor.

Operating leases

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

Note 1.12 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the NHS Trust is disclosed at note 24.2 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.

Pension provisions

Pension provisions relating to former employees, have been estimated using the life expectancy from the Government's actuarial tables. Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate of minus 0.95% for employee early departure obligations.

Legal claims

Legal claims provisions relate to employer and public liability claims. Expected costs are advised by NHS Resolution or other legal professionals.

Other provisions

Other provisions are in respect of costs arising from organisational restructure and contractual obligations and are calculated using appropriate methodology in line with IAS 37.

Note 1.13 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 25 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 25, 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 1.14 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 in the PDC dividend policy issued 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 1.15 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 1.16 Corporation tax

The Trust has determined that it has no corporation tax liability having reviewed "Guidance on the tax treatment of non-core health care commercial activities of NHS Trusts" issued by HM Revenue and Customs supplemented by access to specialist advice when necessary.

Note 1.17 Foreign exchange

The functional and presentational currency of the Trust is sterling.

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

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

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.18 Third party assets

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

Note 1.19 Losses and special payments

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

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

Note 1.20 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 1.21 Transfers of functions between other NHS bodies

For functions that have been transferred to the Trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain or loss corresponding to the net assets or liabilities transferred are recognised within income or expenses respectively, but not within operating activities.

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

For functions that the Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss or gain corresponding to the net assets / liabilities transferred are recognised within expenses or income respectively, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.22 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions regarding the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors considered of relevance. Actual results may differ from those estimates as underlying assumptions are continually reviewed. Revisions to estimates are recognised in the period in which the estimate is revised.

The areas requiring critical judgments in the process of applying accounting policies are:

- Asset valuation and lives (including capitalisation of costs in respect of assets in the course of construction).
- Impairments of receivables.
- Holiday pay accrual.
- Pension provisions.
- Legal claims and entitlements.

Further detail of these policies can be found in their specific accounting policy notes.

Note 1.23 Early adoption of standards, amendments and interpretations

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

Note 1.24 Standards, amendments and interpretations in issue but not yet effective or adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2020/21. These standards are still subject to HM Treasury FReM adoption:

- 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 re-measurement 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 a rate 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.

Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity upto April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable. However, the Trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation

- IFRS 14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.
- IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021. Standard is not yet adopted by the FReM which is expected to be from April 2023: early adoption is not permitted.

Note 2 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.2.1

Note 2.1 Income from patient care activities (by nature)

	2020/21	2019/20*
	£000	£000
Acute services		
Block contract / system envelope income*	95,712	90,251
High cost drugs income from commissioners (excluding pass-through costs)	0	89
Other NHS clinical income	8,827	4,017
Private patient income	3,028	3,306
Additional pension contribution central funding**	2,898	2,700
Other clinical income	2,129	3,030
Total income from activities	<u>112,594</u>	<u>103,393</u>

*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 2.2 Income from patient care activities (by source)

	2020/21	2019/20
	£000	£000
Income from patient care activities received from:		
NHS England *	28,101	25,461
Clinical commissioning groups *	75,602	67,930
Other NHS providers	3,734	3,666
Local authorities	0	35
Non-NHS: private patients	3,028	3,306
Non-NHS: overseas patients (chargeable to patient)	98	117
Injury cost recovery scheme **	36	37
Non NHS: other	1,995	2,841
Total income from activities	<u>112,594</u>	<u>103,393</u>

*There has been a reclassification between the NHS England and Clinical Commissioning Group income values of £4,940k in the 2019/20 prior year.

**The Injury Costs Recovery Scheme income has been provided for as an impairment of receivables at 22.43% to reflect the expected rates of collection (2019/20: 21.79%).

All the Trust's activities relate to a single operating segment in respect of the provision of healthcare services. The Trust does not consider that segmental reporting would be appropriate in the 2020/21 annual accounts as:

- The Trust Board reviews the financial position as a whole in its decision making process, rather than individual components included in the totals.
- The Trust shares its assets across all areas to provide healthcare.
- The nature of services across different areas of the Trust is similar (i.e. healthcare within a specific and related range of specialisms).
- IFRS 8: Operating Segments allows the aggregation of segments that have similar economic characteristics and types and class of customer. Therefore, all the Trust's activities relate to a single operating segment in respect of the provision of specialist acute health care.

Note 2.3 Overseas visitors (relating to patients charged directly by the provider)

	2020/21	2019/20
	£000	£000
Income recognised this year	98	117
Cash payments received in-year	222	110
Amounts added to provision for impairment of receivables	64	40
Amounts written off in-year	67	54

Note 3 Other operating income

	2020/21			2019/20		
	Contract income £000	Non-contract income £000	Total £000	Contract income £000	Non-contract income £000	Total £000
Research and development	1,254	0	1,254	1,143	0	1,143
Education and training	4,510	0	4,510	5,334	0	5,334
Provider sustainability fund - (2019/20 only)	0	0	0	2,447	0	2,447
Financial recovery fund - (2019/20 only)	0	0	0	2,028	0	2,028
Marginal rate emergency tariff funding	0	0	0	294	0	294
Reimbursement and top up funding	8,899	0	8,899	0	0	0
Donations of physical assets - received from NHS charities	0	195	195	0	90	90
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	0	2,322	2,322	0	0	0
Rental revenue from operating leases	0	314	314	0	275	275
Other income	412	0	412	1,008	0	1,008
Total other operating income	15,075	2,831	17,906	12,254	365	12,619

Note 4 Additional information on revenue

Note 4.1 Transaction price allocated to remaining performance obligations

	31 March 2021 £000	31 March 2020 £000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	0	0
after one year, not later than five years	0	0
after five years	0	0
Total revenue allocated to remaining performance obligations	0	0

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

Note 4.2 Income from activities arising from commissioner requested services

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

	2020/21 £000	2019/20 £000
Income from services designated as commissioner requested services	24,456	21,940
Income from services not designated as commissioner requested services	106,044	94,072
Total	130,500	116,012

The Income from Commissioner and Non Commissioner Requested Services equals the total value of income from activities in the Statement of Comprehensive Income and also notes 2 and 3.

Note 4.3 Profits and losses on disposal of property, plant and equipment

The Trust disposed of medical equipment with a Net Book Value of £9k but received £48k in cash consideration, thereby the Trust made a profit on disposal of £39k (2019/20: £42k).

Note 5 Fees and charges

HM Treasury requires disclosure of fees and charges income. There were no reportable fees and charges in either 2019/20 or 2020/21.

Note 6 Operating expenditure

Note 6.1 Operating expenses

	2020/21	2019/20
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	5,788	5,157
Purchase of healthcare from non-NHS and non-DHSC bodies	211	133
Staff and executive directors costs	78,514	72,509
Remuneration of non-executive directors	139	141
Supplies and services - clinical (excluding drugs costs)	7,302	5,320
Supplies and services - general	3,391	2,876
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	2,577	2,753
Consultancy costs	293	69
Establishment	1,123	1,226
Premises	7,733	6,285
Transport (including patient travel)	217	261
Depreciation on property, plant and equipment	5,109	4,372
Amortisation on intangible assets	218	234
Net impairments	0	304
Movement in credit loss allowance: contract receivables	168	47
Increase / (decrease) in other provisions	2,009	(2,306)
Change in provisions discount rates	23	49
Audit fees payable to the external auditor		
audit services- statutory audit	91	68
other auditor remuneration (external auditor only)	0	2
Internal audit costs	71	67
Clinical negligence *	15,543	13,044
Legal fees	27	37
Insurance	77	67
Research and development	489	372
Education and training	272	238
Rentals under operating leases	321	126
Hospitality	2	1
Other services, eg external payroll	136	90
Other	453	209
Total	132,297	113,751

* The clinical negligence costs relates to the Trust's contribution to the NHS Resolution risk pooling scheme under which the Trust pays an annual contribution.

Note 6.2 Nightingale hospital

During 2020/21 the Trust incurred some running costs in relation to the Manchester Nightingale facility as part of the regional coronavirus pandemic response.

The costs incurred by the Trust in operating the facility have been included within the operating expenses note in these accounts. The total costs associated with the facility are disclosed below for information; this includes where existing resources were redeployed so the note below does not represent the additional cost to the Trust of operating the facility. Incremental costs associated with operating the facility have been reimbursed by NHS England.

	Gross costs
	2020/21
	£000
Running costs:	
Staff costs	2
Total gross costs	<u><u>2</u></u>

Note 6.3 Other auditor remuneration

	2020/21	2019/20
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	0	2
Total	<u><u>0</u></u>	<u><u>2</u></u>

Note 6.4 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2 million (2019/20: £2 million).

Note 7 Impairment of assets

	2020/21	2019/20
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Unforeseen obsolescence	0	304
Total net impairments charged to operating surplus / deficit	<u><u>0</u></u>	<u><u>304</u></u>
Impairments charged to the revaluation reserve	6,807	174
Total net impairments	<u><u>6,807</u></u>	<u><u>478</u></u>

In 2020/21, there was an Impairment charged to the revaluation reserve of £6,807k and this was in relation to a buildings valuation decrease following a desktop valuation carried out by the Trust's external valuers Cushman and Wakefield as at the 31st March 2021.

In 2019/20, due to unforeseen obsolescence, there was an impairment of an Information Technology asset of £304k during the year.

Note 8 Employee benefits

Note 8.1 Employee benefits comprise:

	2020/21	2019/20
	Total	Total
	£000	£000
Salaries and wages	63,650	57,255
Social security costs	5,364	4,961
Apprenticeship levy	293	272
Employer's contributions to NHS pensions	9,551	8,871
Pension cost - other	29	24
Termination benefits	145	270
Temporary staff (including agency)	755	1,984
Total gross staff costs	79,787	73,637
Recoveries in respect of seconded staff	0	0
Total staff costs	79,787	73,637
Of which		
Costs capitalised as part of assets	1,273	1,128

Note 8.2 Retirements due to ill-health

During 2020/21 there were 2 early retirements from the trust agreed on the grounds of ill-health (none in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £72k (0k 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 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 at 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.

Note 10 Operating leases

Note 10.1 Liverpool Women's NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Liverpool Women's NHS Foundation Trust is the lessor.

The minimum lease receipts relate to rental income due to the Trust.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	314	275
Total	314	275
	31 March	31 March
	2021	2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	95	95
- later than one year and not later than five years;	369	379
- later than five years.	2,539	2,600
Total	3,003	3,074

Note 10.2 Liverpool Women's NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Liverpool Women's NHS Foundation Trust is the lessee.

All operating leases relate to lease cars, multi-functional printing and scanning devices, Hewitt Fertility Centre rigs, lone worker devices, a franking machine and an electronic patient record system.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	321	126
Total	321	126
	31 March	31 March
	2021	2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	365	111
- later than one year and not later than five years;	1,014	216
- later than five years.	0	0
Total	1,379	327

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	0	60
Total finance income	0	60

Note 12 Finance expenditure

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	52	327
Total interest expense	52	327
Unwinding of discount on provisions	(3)	1
Total finance costs	49	328

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

No payments were made for the late payment of commercial debts (2019/20: £nil)

Note 13 Other gains / (losses)

	2020/21	2019/20
	£000	£000
Gains on disposal of assets	39	42
Total gains / (losses) on disposal of assets	39	42

Note 14 Intangible assets

Note 14.1 Intangible assets - 2020/21

	Software licences £000	Total £000
Valuation / gross cost at 1 April 2020	1,787	1,787
Additions	0	0
Valuation / gross cost at 31 March 2021	<u>1,787</u>	<u>1,787</u>
Amortisation at 1 April 2020	951	951
Provided during the year	218	218
Amortisation at 31 March 2021	<u>1,169</u>	<u>1,169</u>
Net book value at 31 March 2021	<u>618</u>	<u>618</u>
Net book value at 1 April 2020	<u>836</u>	<u>836</u>

Note 14.2 Intangible assets - 2019/20

	Software licences £000	Total £000
Valuation / gross cost at 1 April 2019	1,570	1,570
Transfers by absorption	(269)	(269)
Additions	486	486
Valuation / gross cost at 31 March 2020	<u>1,787</u>	<u>1,787</u>
Amortisation at 1 April 2019	979	979
Transfers by absorption	(262)	(262)
Provided during the year	234	234
Amortisation at 31 March 2020	<u>951</u>	<u>951</u>
Net book value at 31 March 2020	<u>836</u>	<u>836</u>
Net book value at 1 April 2019	<u>591</u>	<u>591</u>

Note 14.3 Economic life of Intangible assets

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

	Min life Years	Max life Years
Software licences	1	5

Note 15 Property, plant and equipment

Note 15.1 Property, plant and equipment - 2020/21

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2020	4,400	66,524	300	5,299	24,571	16,190	2,646	119,930
Additions	0	2,049	0	1,403	4,314	1,869	152	9,787
Impairments	0	(8,292)	0	0	0	0	0	(8,292)
Reclassifications	0	5,154	0	(5,299)	0	32	113	0
Disposals / derecognition	0	0	0	0	(1,691)	0	0	(1,691)
Valuation/gross cost at 31 March 2021	4,400	65,435	300	1,403	27,194	18,091	2,911	119,734
Accumulated depreciation at 1 April 2020	0	0	0	0	18,392	9,716	759	28,867
Provided during the year	0	1,477	8	0	1,191	2,236	197	5,109
Impairments	0	(1,477)	(8)	0	0	0	0	(1,485)
Disposals / derecognition	0	0	0	0	(1,682)	0	0	(1,682)
Accumulated depreciation at 31 March 2021	0	0	0	0	17,901	11,952	956	30,809
Net book value at 31 March 2021	4,400	65,435	300	1,403	9,293	6,139	1,955	88,925
Net book value at 1 April 2020	4,400	66,524	300	5,299	6,179	6,474	1,887	91,063

Note 15.2 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019	4,500	58,310	300	4,062	24,977	13,940	1,368	107,457
Transfers by absorption	0	0	0	0	(2,689)	(47)	0	(2,736)
Additions	0	5,590	0	5,299	2,446	3,122	1,166	17,623
Impairments	(100)	(1,326)	0	0	0	0	0	(1,426)
Reclassifications	0	3,950	0	(4,062)	0	0	112	0
Disposals / derecognition	0	0	0	0	(163)	(825)	0	(988)
Valuation/gross cost at 31 March 2020	4,400	66,524	300	5,299	24,571	16,190	2,646	119,930
Accumulated depreciation at 1 April 2019	0	0	0	0	19,613	8,301	659	28,573
Transfers by absorption	0	0	0	0	(2,108)	(34)	0	(2,142)
Provided during the year	0	1,245	7	0	1,050	1,970	100	4,372
Impairments	0	(1,245)	(7)	0	0	304	0	(948)
Disposals / derecognition	0	0	0	0	(163)	(825)	0	(988)
Accumulated depreciation at 31 March 2020	0	0	0	0	18,392	9,716	759	28,867
Net book value at 31 March 2020	4,400	66,524	300	5,299	6,179	6,474	1,887	91,063
Net book value at 1 April 2019	4,500	58,310	300	4,062	5,364	5,639	709	78,884

Note 15.3 Property, plant and equipment financing - 2020/21

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2021								
Owned - purchased	4,400	65,234	300	1,403	9,243	6,094	1,825	88,499
Owned - donated	0	201	0	0	50	45	130	426
NBV total at 31 March 2021	4,400	65,435	300	1,403	9,293	6,139	1,955	88,925

Note 15.4 Property, plant and equipment financing - 2019/20

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2020								
Owned - purchased	4,400	66,369	300	5,299	6,167	6,462	1,809	90,806
Owned - donated	0	155	0	0	12	12	78	257
NBV total at 31 March 2020	4,400	66,524	300	5,299	6,179	6,474	1,887	91,063

Note 15.5 Economic life of property, plant and equipment

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

	Min life Years	Max life Years
Land	0	0
Buildings, excluding dwellings	29	59
Dwellings	38	38
Plant & machinery	1	10
Information technology	1	5
Furniture & fittings	1	15

Note 16 Donations of property, plant and equipment

The GAM 5.90 and 5.91 require trusts to disclose details of any donations of property, plant and equipment received during the year, including any restriction or conditions imposed by the donor.

In 2020/21 the Liverpool Women's NHS Foundation Charitable Trust (registered charity number 1048294) donated some items to the Trust which were deemed to be capital in nature and resultantly the Trust has capitalised these assets and also recognised the receipt of the donation in its 2020/21 accounts. The details of the donated assets are:

- Medical trolleys with drawers - supporting the delivery of safe service and quality of care for babies on the unit - £22,724
- High resolution PC system allowing consultants to provide quality of care for babies on the unit - £38,677
- Refurbishment and equipment for the end of life suite - supporting quality of care to patients at the Trust - £9,216
- Rise and reclining armchairs and lounge chairs for parents to use in the newly refurbished Neonatal ward - £37,675
- 3D printed heart models for consultants to use at the Fetal Cardiac Clinic - supporting quality of care to patients at the Trust - £5,521
- Playground, terrace and pods on the newly refurbished Neonatal Ward - £49,859
- Wall art and murals on the newly refurbished Neonatal Ward - £18,371
- Audio visual equipment for consultant training to provide quality of care for patients at the Trust - £12,175

No restrictions or conditions have been imposed by the donor in relation to these donated assets.

Note 17 Revaluations of property, plant and equipment

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

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

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

Fair value of land and buildings are based on advice received from the independent and professional valuers Cushman and Wakefield. Valuations provided by the professional valuers for land and buildings as part of a desktop valuation at the 31 March 2021 have been reflected in the 2020/21 accounts.

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.

In the 2018/19 financial year the Royal Institute of Chartered Surveyors (RICS) issued revised guidance relating to asset lives. This has had the impact of reducing useful lives from the 31st March 2019 onwards and impacted upon the 2019/20 financial year onwards.

In the 2019/20 financial year, as a result of the COVID-19 pandemic and in applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 'Red Book', the external valuers Cushman and Wakefield declared a 'material valuation uncertainty' in the valuation report. This was on the basis of uncertainties in markets caused by COVID-19. Cushman and Wakefield have stated that they could attach less weight to previous market evidence and published build cost information, to inform opinions of value. The current response to COVID 19 meant that they were faced with an unprecedented set of circumstances on which to base a judgement. However, Cushman and Wakefield also commented that their 'material valuation uncertainty' declaration did not mean that the valuation could not be relied upon. This clause was a disclosure, not a disclaimer. It was used in order to be clear and transparent with all parties, in a professional manner that – in the current extraordinary circumstances – less certainty could be attached to the valuation than would otherwise be the case.

In the current 2020/21 financial year, the external valuers Cushman and Wakefield have made clear in their desktop valuation report that as at the valuation date property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, Cushman and Wakefield's valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards

Note 18 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	211	210
Consumables	166	185
Energy	33	37
Total inventories	410	432

Inventories recognised in expenses for the year were £4,326k (2019/20: £2,267k). Write-down of inventories recognised as expenses for the year were £0k (2019/20: £0k).

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 £2,322k of items purchased by DHSC.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

Note 19 Receivables

Note 19.1 Receivables

	31 March 2021 £000	31 March 2020 £000
Current		
Contract receivables	3,891	5,188
Allowance for impaired contract receivables	(1,046)	(996)
Deposits and advances	1	2
Prepayments	1,600	1,480
PDC dividend receivable	109	0
VAT receivable	214	289
Other receivables	207	366
Total current receivables	<u>4,976</u>	<u>6,329</u>
Non-current		
Contract receivables	80	94
Allowance for impaired contract receivables / assets	(18)	(21)
Prepayments	186	310
Other receivables	295	241
Total non-current receivables	<u>543</u>	<u>624</u>
Of which receivable from NHS and DHSC group bodies:		
Current	3,491	5,700
Non-current	481	310

None of the receivable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

The majority of trade is with clinical commissioning groups, as commissioners for NHS patient care services. As clinical commissioning groups are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

Note 19.2 Allowances for credit losses

	2020/21		2019/20	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April	1,017	0	1,099	0
New allowances arising	297	0	381	0
Reversals of allowances	(129)	0	(334)	0
Utilisation of allowances (write offs)	(121)	0	(129)	0
Allowances as at 31 March	1,064	0	1,017	0

As per note 2.2 the provision for the impairment of receivables includes a provision regarding the NHS Injury Scheme of 22.43% to reflect the expected rates of collection (2019/20: 21.79%).

Note 19.3 Exposure to 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 contract receivables, as disclosed in the receivables note 19.1.

Note 20 Cash and cash equivalents movements

Note 20.1 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	4,647	9,066
Transfers by absorption	0	620
Net change in year	(412)	(5,039)
At 31 March	4,235	4,647
Broken down into:		
Cash at commercial banks and in hand	124	23
Cash with the Government Banking Service	4,111	4,624
Total cash and cash equivalents as in SoFP	4,235	4,647

Note 20.2 Third party assets held by the trust

Liverpool Women's NHS Foundation Trust held no monies of patients or other parties as at the 31 March 2021 (31 March 2020: £nil).

Note 21 Trade and other payables

Note 21.1 Trade and other payables

	31 March 2021 £000	31 March 2020 £000
Current		
Trade payables	4,526	3,710
Capital payables	3,447	2,809
Accruals	6,290	9,127
Social security costs	858	742
Other taxes payable	1,737	1,457
PDC dividend payable	0	1
Other payables	314	277
Total current trade and other payables	<u>17,172</u>	<u>18,123</u>
Of which payables from NHS and DHSC group bodies:		
Current	4,389	5,583

None of the payable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

During 2020/21 there were 2 early retirements from the Trust agreed on the grounds of ill-health (0 in 2019/20). The estimated additional pension liabilities of these ill-health retirements is £72k (£0k in 2019/20).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 22 Other liabilities

	31 March 2021	31 March 2020
	£000	£000
Current		
Deferred income: contract liabilities	3,136	2,918
Total other current liabilities	<u>3,136</u>	<u>2,918</u>
Non-current		
Deferred income: contract liabilities	1,592	1,623
Total other non-current liabilities	<u>1,592</u>	<u>1,623</u>

Note 23 Borrowings**Note 23.1 Borrowings**

	31 March 2021	31 March 2020
	£000	£000
Current		
Loans from DHSC	614	15,223
Total current borrowings	<u>614</u>	<u>15,223</u>
Non-current		
Loans from DHSC	1,525	2,136
Total non-current borrowings	<u>1,525</u>	<u>2,136</u>

During 2020/21, the Trust's Neonatal Loans were extinguished per the Department of Health and Social Care (DHSC) and NHS England and NHS Improvements announcement on the 2nd April 2020 regarding reforms to the NHS cash regime. As a result of these reforms, during 2020/21 the Trusts' Neonatal Capital Loans of £14,572k were repaid to the DHSC and the Trust was issued with a corresponding £14,572k of Public Dividend Capital (PDC) to allow the repayment. During 2020/21 the Trust also repaid £612k of its Capital ITFF loan in accordance with the payment terms.

During 2019/20 the Trust was able to repay all of its outstanding Interim Revenue Support Facility of £6.65m primarily as a result of receiving the 18/19 Provider Sustainability Funding (PSF) Quarter 4, Incentive and Bonus Funding in quarter 2 of 2019/20. The Trust no longer has any Revenue Loans outstanding. The Trust also drew down a further £10.95m of the agreed £15.0m Neonatal capital build funding.

Cumulatively, since the 2014/15 financial year, the Trust has drawdown £34,684k of Loans from the Department of Health and Social Care but has repaid £32,547k of this amount reducing the outstanding loan principal outstanding to £2,137k - as per the below summary table:

Loans from Department of Health and Social Care	Loan		Loan Principal Outstanding
	Loan Principal Drawdown	Principal Repaid	
Capital (ITFF)- 2.0% Interest Rate	5,500	(3,363)	2,137
Capital (Neonatal Building)- 2.54% Interest Rate	14,572	(14,572)	0
Revenue - 1.50% Interest Rate	14,612	(14,612)	0
	<u>34,684</u>	<u>(32,547)</u>	<u>2,137</u>
Loans Interest Payable at the 31st March 2021 *			2
Total Borrowings			<u>2,139</u>

*Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are now measured on an amortised cost basis. Consequently, the total borrowings balance includes £2k of Loans Interest Payable as at the 31st March 2021.

Note 23.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000
Carrying value at 1 April 2020	17,359
Cash movements:	
Financing cash flows - payments and receipts of principal	(15,184)
Financing cash flows - payments of interest	(91)
Non-cash movements:	
Application of effective interest rate	55
Carrying value at 31 March 2021	<u>2,139</u>

Note 23.3 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC £000
Carrying value at 1 April 2019	13,658
Cash movements:	
Financing cash flows - payments and receipts of principal	3,685
Financing cash flows - payments of interest	(308)
Non-cash movements:	
Application of effective interest rate	324
Carrying value at 31 March 2020	<u>17,359</u>

Note 24 Provisions for liabilities and charges

Note 24.1 Provisions movements:

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2020	563	66	155	0	1,155	1,939
Transfers by absorption	0	0	0	0	0	0
Change in the discount rate	17	6	0	0	0	23
Arising during the year	25	0	164	161	3,004	3,354
Utilised during the year	(57)	(3)	(41)	0	0	(101)
Reclassified to liabilities held in disposal groups	0	0	0	0	0	0
Reversed unused	(76)	(7)	(125)	0	(914)	(1,122)
Unwinding of discount	(3)	0	0	0	0	(3)
At 31 March 2021	469	62	153	161	3,245	4,090
Expected timing of cash flows:						
- not later than one year;	57	3	153	161	2,950	3,324
- later than one year and not later than five years;	412	59	0	0	295	766
- later than five years.	0	0	0	0	0	0
Total	469	62	153	161	3,245	4,090

"Pensions - early departure costs" provisions are for early retirements and reflect actuarial forecasts in respect of the duration of payments, the life expectancy of the persons involved and current value of the future stream of payment flows.

"Pensions - injury benefits" provisions are for injury benefits and reflect actuarial forecasts in respect of the duration of payments, the life expectancy of the persons involved and current value of the future stream of payment flows.

"Legal claims" provisions comprise amounts due as a result of third party and employee liability claims. The values are informed by information provided by third party solicitors. In respect of the LTPS provision this reflects the probability of the cases being settled as estimated by NHS Resolution.

"Redundancy" provisions have arisen from the outcome of organisational change proposals that are anticipated to be finalised within the next year.

"Other" provisions have arisen from contractual liabilities.

The Contingent Liability for the maximum possible but not probable cost of claims is shown in Note 25.

Note 24.2 Clinical negligence liabilities

At 31 March 2021, £448,394k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Liverpool Women's NHS Foundation Trust (31 March 2020: £358,604k).

Note 25 Contingent assets and liabilities

	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities		
NHS Resolution legal claims	(26)	(27)
Gross value of contingent liabilities	(26)	(27)
Amounts recoverable against liabilities	0	0
Net value of contingent liabilities	(26)	(27)
Net value of contingent assets	0	0

The NHS Resolution Legal Claim contingent liabilities are in relation to legal claim costs which are unlikely to be payable as notified by NHS Resolution in relation to "Liabilities to Third Parties" (LTPS). The value of Provisions for the expected and probable cases is shown in Note 24.1.

Note 26 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	0	714
Intangible assets	0	0
Total	0	714

The Trust had not entered into any contractual capital commitments as at the 31st March 2021.

The capital commitments as at the 31st March 2020 of £714k related to the residual amounts of capital schemes in relation to the contractually agreed £15m Neonatal capital build project and two capital schemes which were delayed due to COVID-19. These two schemes are Global Digital Exemplar Fast Follower project and Trust building work.

Note 27 Financial instruments

Note 27.1 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 those 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. 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. The Trust's 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 and only had negligible foreign currency income or expenditure transactions. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from the Department of Health in the form of the Independent Trust Financing Function (ITFF) and Interim Revenue Support Facility (IRSF). The borrowing is for 10 years and under and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from contract receivables, as disclosed in the receivables note 19.1.

Liquidity risk

The Trust's operating costs are incurred under SLAs with other NHS providers, which are financed from resources voted annually by Parliament. The Trust receives regular monthly payments from CCGs based on an agreed contract value with adjustments made for actual services provided. The Trust funds its capital expenditure from either internally generated funds or PDC made available by the Department of Health. The Trust is not, therefore, exposed to significant liquidity risks.

Price risk

The contracts from NHS commissioners in respect of healthcare services have a predetermined price structure which negates the risk of price fluctuation.

Note 27.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2021	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	3,053	3,053
Cash and cash equivalents	4,235	4,235
Total at 31 March 2021	7,288	7,288

Carrying values of financial assets as at 31 March 2020	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	4,560	4,560
Cash and cash equivalents	4,647	4,647
Total at 31 March 2020	9,207	9,207

Note 27.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	2,139	2,139
Trade and other payables excluding non financial liabilities	14,577	14,577
Provisions under contract	4,090	4,090
Total at 31 March 2021	20,806	20,806

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	17,359	17,359
Trade and other payables excluding non financial liabilities	15,923	15,923
Provisions under contract	1,939	1,939
Total at 31 March 2020	35,221	35,221

Note 27.4 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 £000	31 March 2020* £000
In one year or less	18,552	32,328
In more than one year but not more than five years	2,105	2,709
In more than five years	231	321
Total	20,888	35,358

*The prior year comparator figures in this note were previously prepared on a discounted cash flow basis. In line with the recommendations of the Group Accounting Manual this has been updated to be shown on an undiscounted basis. This has no impact on the value of the liabilities within the Statement of Financial Position.

Note 28 Losses and special payments

	2020/21		2019/20	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	0	0	0	0
Fruitless payments and constructive losses	1	0	0	0
Bad debts and claims abandoned	60	115	163	128
Stores losses and damage to property	0	0	0	0
Total losses	61	115	163	128
Special payments				
Compensation under court order or legally binding arbitration award	0	0	0	0
Extra-contractual payments	0	0	0	0
Ex-gratia payments	0	0	0	0
Special severance payments	0	0	0	0
Extra-statutory and extra-regulatory payments	0	0	0	0
Total special payments	0	0	0	0
Total losses and special payments	61	115	163	128
Compensation payments received		0		0

Note 29 Transfers by absorption

During the 2020/21 financial year, the trust did not have any transfers by absorption transactions.

During the prior 2019/20 financial year, the trust transferred its Genetics Laboratory Service to Manchester University NHS Foundation Trust. In accordance with guidance, it was agreed that this should be accounted for as a transfer by absorption and so the Trust divested £601k net book value of Genetics equipment to Manchester University NHS Foundation Trust. The Trust received £576k for this equipment, which means that the loss on the transfer by absorption was £25k as recorded on the Statement of Comprehensive Income.

Note 30 Related parties**Ultimate parent**

The Trust is a public benefit corporation established under the NHS Act 2006. NHS Improvement (NHSI) formerly Monitor, the Regulator of NHS Foundation Trusts has the power to control the Trust within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the Trust's parent. NHSI does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS Foundation Trust Consolidated Accounts are then included within the Whole of Government Accounts. NHSI is accountable to the Secretary of State for Health. The Trust's ultimate parent is therefore HM Government.

Transactions with related parties are undertaken on a normal commercial basis. 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 the Trust.

The Liverpool Women's NHS Foundation Trust is the corporate trustee of the Liverpool Women's NHS Foundation Charitable Trust (Registration No. 1048294). The Trust does not consolidate the Charitable Trust on the grounds of materiality. As at 31 March 2021, there is an outstanding receivable with the Charitable Trust of £164k (31 March 2020: £124k).

Liverpool Women's NHS Foundation Trust is a public interest body authorised by Monitor, the Independent Regulator for NHS Foundation Trusts. It undertakes as part of its on-going provision of healthcare services, in accordance with the terms of its authorisation, a number of transactions with bodies defined as being within the scope of the Whole of Government Accounts (WGA) including the Department of Health and other entities that the Department of Health is regarded as the parent department.

During the year the Trust has had a significant number of material transactions with the Department of Health and / or other entities for which the Department of Health is regarded as the parent Department. In addition, the Trust has material transactions with other government departments. Transactions and balances with these organisations are disclosed below.

Receivables & Payables:


	Receivables		Payables	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
NHS Liverpool CCG	28	311	604	0
NHS South Sefton CCG	0	0	200	8
NHS Knowsley CCG	3	3	0	578
Health Education England	394	186	0	0
NHS Wirral CCG	0	0	0	0
NHS Halton CCG	2	4	0	1
NHS Warrington CCG	2	2	0	0
NHS Southport and Formby CCG	0	0	0	0
NHS St Helens CCG	0	0	0	0
NHS Cheshire CCG	8	8	0	0
Liverpool University Hospitals NHS Foundation Trust	107	946	1,130	1,980
Alder Hey Children's NHS Foundation Trust	542	0	546	377
Wrightington, Wigan and Leigh NHS Foundation Trust	416	810	1	0
St Helens and Knowsley Hospital Services NHS Trust	201	51	159	396
NHS England - Core	532	1,709	200	843
NHS England - North West Regional Office (including commissioning hub)	108	266	0	0
NHS Resolution	0	40	33	2
NHS Pension Scheme	0	0	952	855
HM Revenue and Customs	0	0	2,595	2,199
Welsh Health Bodies - Betsi Cadwaladr University Local Health Board	8	118	0	0
Mersey Care NHS Foundation Trust	0	38	28	42
Liverpool Health Partners	0	0	0	0
University of Liverpool	11	95	433	532
	2,362	4,587	6,881	7,813

Income & Expenditure:

	Income		Expenditure	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
NHS Liverpool CCG	48,081	42,805	0	0
NHS South Sefton CCG	10,543	10,364	0	0
NHS Knowsley CCG	6,855	6,203	0	0
Health Education England	4,446	4,738	3	0
NHS Wirral CCG	2,380	2,002	0	0
NHS Halton CCG	1,412	1,291	0	0
NHS Warrington CCG	1,134	852	0	0
NHS Southport and Formby CCG	1,398	1,248	0	0
NHS St Helens CCG	1,203	1,059	0	0
NHS Cheshire CCG	1,242	1,265	0	0
Liverpool University Hospitals NHS Foundation Trust	452	875	4,746	4,434
Alder Hey Children's NHS Foundation Trust	1,585	234	604	558
Wrightington, Wigan and Leigh NHS Foundation Trust	1,041	762	0	18
St Helens and Knowsley Hospital Services NHS Trust	151	273	380	255
NHS England - Core	8,933	4,769	0	2
NHS England - North West Regional Office (including commissioning hub)	25,412	22,011	0	0
NHS Resolution	0	0	15,510	13,013
NHS Pension Scheme	0	0	9,551	8,871
HM Revenue and Customs	0	0	5,657	5,233
Welsh Health Bodies - Betsi Cadwaladr University Local Health Board	667	1,196	0	0
Mersey Care NHS Foundation Trust	6	23	23	42
Liverpool Health Partners	0	17	0	100
University of Liverpool	227	228	1,080	1,035
	117,168	102,215	37,554	33,561

Note 31 Events after the reporting date

There are no events after the reporting year which require disclosure.



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