Honesty Equality Accountability Respect Teamwork

Putting **patients** at the **HEART** of everything we do

NHS

London North West University Healthcare

NHS Trust

Annual Report 2020/21

The information in this report is available in large print by calling 020 8869 3552.

If you would like a summary of this Annual Report in your own language please call 020 8869 3552 and state clearly in English the language you need and we will arrange an interpreter to speak to you.

Haddii aad jeclaan lahayd warka ku qoran warbixintaan gacan qabsiga loogu talogalay oo kooban oo luqaddaada ku qoran, fadlan soo wac 020 8869 3552 ka dibna si cad Ingiriis, ugu tilmaan, luqadda aad u baahan tahay waxaan markaas kuu diyaarin doonnaa turjumaan kula hadla.

இந்த ஆண்டறிக்கையில் இடம்பெற்றுள்ள விவரங்களின் தொகுப்பு உங்கள் மொழியில் உங்களுக்குத் தேவைப்படுமானால், தயவுசெய்து 020 8869 3552 என்ற எண்ணை தொடர்பு கொண்டு, ஆங்கிலத்தில், தெளிவாக உங்களுக்குத் தேவைப்படும் மொழியை குறிப்பிட்டால், உங்களுடன் பேசுவதற்கு நாங்கள் ஒரு மொழிபெயர்ப்பாளரை ஏற்பாடு செய்வோம்.

આ વાર્ષિક અહેવાલમાં સમાવિષ્ટ માહિતીનો સારાંશ જો તમને તમારી ભાષામાં જોઈતો હોય તો, કૃપા કરીને 020 8869 3552 પર કોલ કરો અને તમારે જે ભાષાની જરૂર હોય તે સ્પષ્ટ રૂપે અંગ્રેજીમાં જણાવો અને તમારી જોડે વાત કરવા અમે દુભાષિયાની વ્યવસ્થા કરી આપીશું.

إذا كنت ترغب في الحصول على ملخص للمعلومات التي وردت في هذا التقرير السنوي بلغتك، اتصل على رقم 020 8869 3552 واذكر بوضوح، باللغة الإنجليزية، اللغة التي تحتاجها، وسوف نقوم بتوفير مترجم ليتحدث إليك.

چنانچه تمایل دارید که خلاصه اطلاعات موجود در این گزارش سالانه را به زبان خود داشته باشید، لطفا با شماره تلفن 020 8869 3552 تماس حاصل نمود و بطور واضح و با زبان انگلیسی، زبان مورد نیاز خود را اعلام فرمائید. بر این اساس ما ترتیب حضور یک مترجم همزمان را بمنظور صحبت با شما خواهیم داد.

It should be noted that throughout the document there are links to the websites of external organisations and information outside London North West University Healthcare NHS Trust. These are added to provide further background for readers who want to access it. This information should not be interpreted as having been read by our auditors.

London North West University Healthcare NHS Trust

Annual Report 2020/21

Contents

Performance Report

The performance report includes an overview of our organisation highlighting its purpose, progress during the year and key risks to achieving strategic objectives.

Overview

A word from our Chair and Chief Executive

The annual report provides an opportunity to highlight the progress that we have made and to reflect on the opportunities and challenges that we face.

During the past year, our staff working in hospital and community services have shown incredible levels of professionalism and perseverance as they responded to the Covid-19 pandemic. It is thanks to their efforts that we have come through what has been, without question, the most challenging period in the NHS's history.

The numbers speak for themselves. In the last year we cared for and discharged more than 4,000 patients with Covid-19. At the same time, despite the impact of the pandemic on our services, we continued to care for patients who needed help for other conditions.

Thousands of elective surgeries and day care cases were performed, while our community teams adapted their services so that patients could continue to have safe access to care. Our teams saw more than 300,000 people in outpatients, with over 160,000 appointments taking place either on the phone or online.

Our obstetricians and midwives offered around 5,000 first and 25,000 follow-up appointments with pregnant women and more than 4,000 babies were born in our maternity unit.

Responding to Covid-19

Our priority was to ensure that we had enough intensive care beds and respiratory support wards available to treat Covid-19 patients. Wards across Northwick Park, St Mark's and Ealing hospitals were transformed to meet this challenge. One thousand polythene airlocks, with zip sealed accesses for Covid-positive areas, needed to be produced and installed.

In responding to the virus our teams had to think and work differently. Unprecedented demand was placed on Intensive Care Units (ICUs), to deliver life-saving support to patients. Northwick Park Hospital was one of the first, and hardest hit, needing to expand its ICU capacity with many patients requiring dialysis.

A partnership between the Trust and Imperial College Healthcare NHS Trust led to Northwick Park's ICU becoming the first in the world to use an innovative method of dialysis, embracing and utilising mobile home dialysis machines.

Visiting restrictions, introduced at our hospitals to reduce the potential spread of the virus, led to the development of the 'NHS Book an Online Visit' app. The app, created by Made Tech in collaboration with the Trust, St Mark's Foundation, and volunteers, won Healthcare Project of the Year at the UK IT Industry Awards 2020. The app allowed over 10,000 online visits to take place with our patients and has been introduced in other hospitals around the country.

Our infectious diseases unit, one of the largest in the UK, was at the forefront of the NHS's response to the pandemic with our staff the first in the country to perform community testing for coronavirus. The unit also pioneered drive-through testing for Covid-19 on our hospital sites, work that was widely shared and used across the country.

During the winter, London was hit by a second wave of Covid-19. As a result, we saw Covid-19 admissions that were higher than during the first wave. Thankfully, the NHS had started delivering the Covid-19 vaccine to staff and priority groups. This marked a crucial step in the fight against the pandemic and, by the end of March, we had administered 14,804 (first and second) doses to our staff and partner organisations.

Another important milestone in the battle against Covid-19 was reached with the opening of the community vaccination centre at Wembley. We worked closely with the local authority, CCG, and volunteers to open the centre. Our contribution was key to the success of this project with staff volunteering to oversee vaccinations, leadership from the senior nursing team and expertise from the transformation team,

Covid-19 led to closer working across the north west London system, and we are grateful for the support received from neighbouring NHS trusts, social care partners and Brent, Ealing and Harrow councils.

Honours and awards

The contribution made by the NHS in responding to the first wave of Covid-19 was recognised in The Queen's Birthday Honours and the New Year's Honours lists. Members of our staff were among those to receive honours. Dr Ganesh Suntharalingam, Clinical Lead for Critical Care, was awarded an OBE and Lisa Knight, Chief Nurse, Dr Nuala Lucas, Consultant Obstetric Anaesthetist, and Dr Gurjinder Singh Sandhu, Infectious Diseases Consultant, were all awarded MBEs.

Our research and development team were active throughout the year and successfully recruited over 2,000 patients into the Oxford-AstraZeneca vaccine trial. In November 2020, two of our research consultants were awarded NIHR Clinical Research Network north west London awards. The outstanding Principal Investigator Award was won by Dr Christiana Dinah, Research Lead and Consultant Ophthalmologist and Dr Ayesha Akbar, ICS Divisional Clinical Director and Consultant Gastroenterologist, was awarded the Time and Target Award.

Staff health and wellbeing

Supporting the health and wellbeing of our staff has been a priority since the start of the pandemic. In the first week of the UK wide lockdown, our LNWH Charity launched an appeal to raise funds to support staff well-being, which, during the year, raised over £625,000.

In May, Project Wingman touched down at the Trust. The initiative was a joint effort between various airline employees who volunteered their time to establish 'first-class lounges' for NHS staff. These lounges, supported by the LNWH Charity, offered our staff a relaxed and comfortable area to unwind and recuperate during their breaks.

The support we have received from volunteers and our local communities throughout the pandemic has been overwhelming. The acts of kindness, generosity and support from residents, businesses, schools, colleges, charities, GPs, dentists, and community pharmacies have been incredible and we will be forever grateful.

The way forward

In September, we published our "Way forward" delivery programme. This sets out clear objectives and explains the principles we will be using to manage our recovery from the Covid-19 crisis.

Firstly, we need to deal with the impact of the virus, and the issues it has highlighted in our communities. Secondly, we will need to rebuild to better than normal. We need to balance the need for high quality care, excellent patient experience, improving access to our services, and providing value of money.

To help, we have updated our goals and objectives to reflect what we want to achieve over the next few years. We cannot rebuild to better than normal without a fundamental shift in the way we provide our care. This includes the way our leaders support our people and teams, and the cultural framework in which we all work.

The national financial arrangements for NHS trusts changed during Covid-19 and this is reflected in our financial performance for the year. The Trust delivered a small surplus of £1.3m under the NHS Financial Performance rules. During the year we implemented changes to financial governance which helped to strengthen our management of resources, and this work will continue. We have been working closely with the North West London Integrated Care System on a broad programme of transformation and service change. This work, coupled with the work of our transformation team, will lead to a continued improvement in our financial sustainability in the new financial year.

Investment and service change

Throughout the year we have continued to invest in and improve the environment of our hospitals. This work included the £1m refurbishment of Northwick Park Hospital's catheterisation laboratory (cath lab).

Covid-19 led to closer, collaborative working, with our partners across north west London. This included the development of fast-track surgical hubs, with Central Middlesex Hospital (CMH) becoming an orthopaedics elective hub for the sector. In addition, Ealing Hospital became one of north west London's first community diagnostic hubs. These hubs will increase patient access to advanced diagnostics, including helping in the early detection of cancer.

As part of our winter plans and on-going response to Covid-19, St Mark's Hospital services were temporarily transferred from the Northwick Park site to CMH. St Mark's has an international reputation for excellence which comes from the team providing a fully integrated service. The transfer, led by clinicians, makes greater use of the excellent facilities at CMH.

In recent years, our out of hospital services have undergone substantial reconfiguration and tendering, resulting in a steady reduction in the size and profile of the Trust's community services.

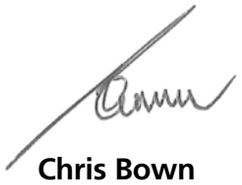
There was broad agreement in the sector that a permanent change in provider would enable community services to concentrate on implementing the north west London out of hospital strategy allowing the Trust to focus on its acute and specialist services.

In January, the North West London Collaboration of CCGs confirmed Central London Community Healthcare NHS Trust as the future provider for the Brent and Harrow Community Services contract with one exception, which sees Harrow's children's services transfer to Central and North West London NHS Foundation Trust.

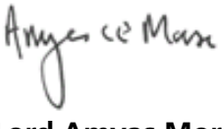
In October, Northwick Park Hospital marked its 50th anniversary with the Mayor of London, Sadiq Khan, sending a personal video message thanking our staff for their commitment and hard work. Today, as part of London North West University Healthcare NHS Trust, the hospital serves a population of over one million people.

The impact the pandemic has been felt deeply across those communities we care for and our thoughts and condolences are with all those who have lost loved ones due to Covid-19 and non-Covid-19 illness.

This annual report is dedicated to the memories of those colleagues we have lost. Rajinder Prasad Bhutiani, Elma Cavalida, Shashi Dhingra, Nalini Ganesalingam, Abdulkadir Mohamed, Louise O'Halloran, Dhanu Jesani, Patricia Pinnell and Erwin Spannagl. All will be fondly remembered as members of our NHS family and will be sadly missed.



Chris Bown
Chief Executive



Lord Amyas Morse
Chair

Who we are

This section provides an overview of who we are and what we do. It summarises the services we provide and reflects on our vision, values, goals and strategic objectives.

We also explain how the organisation adapted to Covid-19 and how, as we recover from the pandemic, we need to safely restart our services, rebuilding them better than normal.

In looking to the future, we will build on the excellent work that has been done under such unique circumstances and work to deliver change through our Way Forward delivery programme.

During 2020/21, the Trust provided hospital and community services to the people of Brent, Ealing, Harrow and beyond.

Our team of over 8,000 clinical and support staff serve a diverse population of around one million people. We are a university teaching hospital, training clinicians of the future. We are also a research active organisation, with thousands of patients participating in ground-breaking research programmes each year.

We run acute hospital services at:

- Northwick Park Hospital: Home to one of the busiest emergency departments in the country. The hospital provides a full range of services including one of the few double-A rated stroke services in England.
- St Mark's Hospital: An internationally renowned specialist hospital for colorectal diseases.
- Ealing Hospital: A busy local hospital providing a range of clinical services, as well as a 24/7 emergency department and urgent care centre.
- Central Middlesex Hospital: Our planned care site, which also offers a range of outpatient services and a 24/7 urgent care centre.

Our vision, values and goals

Our vision is to provide excellent care in the right setting.

Our goals are ambitious providing a common purpose to the work that we do:

- Provide excellent care quality and patient experience
- Engage with our staff to develop them and transform services
- Become a sustainable organisation that builds partnerships with purpose.

Within our goals are our objectives: the projects or workstreams that will help us achieve our goals now, and in the future. More detailed information about our objectives and the progress we are making can be found within the Way Forward programme below.

Our Heart values of honesty, equality, accountability, respect and teamwork place patients at the centre of everything that we do.

Our services

Our overriding focus is to ensure that quality is at the centre of everything we do. We therefore strive for continuous improvement, transformation and personalised care in the services we provide.

During 2020/21, the Trust provided:

- Emergency and urgent care
- Planned and emergency treatment
- Critical care
- Non-admitted patient care
- Maternity services
- Integrated community services.

Covid-19

From the outset of the pandemic, we played a leading role in London's response to Covid-19. We were the first NHS hospital to experience the exponential growth of infections.

Emergency response measures, introduced across the NHS during March 2020, included the pausing of all non-emergency services. It also initiated the launch of a range of new services and major service changes a across the Trust including:

- Tripling critical care capacity and establishing Covid-19 wards
- Implementing Covid-19 infection protection and control measures to separate pathways and physical spaces for Covid-19 care
- Converting Central Middlesex Hospital into a Covid-19 secure site
- Securing independent sector capacity to enable elective care and diagnostics to continue for urgent patients.

Planning for recovery of elective services started as soon as the first wave subsided, with services restarting from May to September 2020. Additional works were completed to ensure services met new Covid-19 infection prevention and control guidance. Each service was also externally peer reviewed before restarting.

The post first wave recovery saw a substantial growth in our ability to deliver outpatient care remotely, using online and telephone consultations. By the end of the year nearly one in three appointments used one of these channels.

The second wave of the pandemic emerged in London during October 2020 and peaked in mid-January 2021. Despite experiencing higher admissions than in the first wave, we have achieved better outcomes and lower mortality for patients. This reflects improvements in clinical treatment and the implementation of a co-ordinated, rapid expansion of critical care capacity, plans for which were finalised over the summer months.

The authorisation of vaccines in autumn 2020 saw us setting up local Covid-19 vaccination hubs in our hospitals. Our staff also played a key role in establishing and running the Wembley community vaccination centre.

That we were able to avoid closing non-emergency services during the second, larger wave of Covid-19, is testament to the robust approach taken in the initial phase of recovery.

Our strategy

The healthcare landscape changed dramatically in 2020/21. During the summer, we took stock of lessons learned from the first wave of the pandemic.

Our board approved the Way Forward delivery programme capturing the many positive changes and innovations introduced as part of the pandemic response. It also recognises the disproportionate impact of Covid-19 on staff and local people from Black, Asian and Minority Ethnic communities.

Some permanent changes to our services have already taken place including the ability to provide safe and convenient alternatives to face-to-face appointments.

Collaboration between NHS providers across London underwent a substantial change. This included the introduction of a co-ordinated system of mutual aid to allow the balancing of demand between sites and ensure patients with the greatest need, whether for Covid-19, cancer or other urgent care, could access care equitably.

Preparation of the annual plan for 2020/21 was set aside as organisations were asked to concentrate on the pandemic response. This was replaced by in year planning exercises to address recovery and preparation for future waves of Covid-19.

Performance appraisal

At the end of 2020, our recovery from Covid-19 was affected by the need to reduce routine elective services and redeploy staff as we entered the second wave.

Excellent care quality and patient experience

We made important advances in care quality and patient experience. The proportion of Covid-19 admissions resulting in death during the second wave was significantly lower than in the first wave, particularly for patients from Black, Asian and Minority Ethnic communities.

Infection prevention and control measures were successfully implemented, helping to keep hospital acquired infections under control. Patient pathway safety measures were introduced at all sites and Central Middlesex Hospital was established as a north west London sector green elective site. Crucially, patients and staff were able to access our sites safely throughout the year.

Although Care Quality Commission inspections were suspended due to the pandemic, updated quality priorities were approved by the Trust board in December 2020 to emphasise staff wellbeing, diversity and inequalities.

We have continued to focus on the quality, safety, and effectiveness of our maternity department, particularly in view of recent developments such as the Ockenden Report. We are absolutely committed to making significant improvements to the care we provide to the local people who use the service. In early 2021, we developed a new maternity improvement plan, which maps out the precise changes that will make the service work better for both staff and service users.

The pandemic impacted on the substantial improvements in referral to treatment, two week wait and A&E waiting time performance made by the Trust over recent years. Our current focus is on measures to reduce 52-week waiting times for patients. Clinical teams review waiting lists regularly to prioritise patients for treatment and minimise the risk of harm.

Key successes included securing of Treasury approval for our digital care record programme. In partnership with The Hillingdon Hospitals NHS Foundation Trust, we have signed a contract with Cerner for an electronic patient record. This marks an exciting and important step forward in using technology to offer our patients the best possible care.

Another success was our rapid expansion of online and telephone consultations. Helping us exceed the national target to reduce the need for face-to-face outpatient appointments by a quarter.

Engaging staff and transforming services

The Way Forward programme recognises the transformation opportunities created by the pandemic. Over the past year our staff have demonstrated an extraordinary ability to deliver change at speed, working together and with our partners. Covid-related financial measures and improvements in efficiency have allowed us to reduce our bed base, enabling more staff to be focused on Covid-19 pathways. Theatre utilisation reached the highest levels seen in over two years.

Of course, many challenges remain. Covid-19 has exacerbated existing inequalities, increasing risks of poor health and health outcomes associated with deprivation. The Black, Asian and Minority Ethnic community, including our own staff, have been significantly affected.

Covid-19 has also caused additional stress for many staff. Staff wellbeing measures have helped to reduce these but are unlikely to eliminate all the long-term effects on mental health. A health and wellbeing strategy has been developed to support staff in the short, medium, and long term.

Although implementation of the new behaviour framework needed to be paused due to the pandemic, we were able to expand the staff wellbeing offering, provision of coaching and other one-to-one support.

Steps have been taken to improve diversity, develop leaders and increase Black, Asian and Minority Ethnic staff representation at senior levels. A diversity requirement has been introduced to the shortlisting of candidates and membership of interview panels. Reverse mentoring was introduced, and shadowing positions created for future Black, Asian and Minority Ethnic leaders. Two more cohorts have started on our Black, Asian and Minority Ethnic leadership programme and a new development programme launched for staff in bands 2-4.

Three associate non-executive directors (NEDs) have also been appointed to support the board's succession strategy, and to help achieve a balance of board level skills and diversity.

Transformation resources have focused on the Covid-19 response, helping to introduce new ways of working, virtual wards and remote patient monitoring. A business case has been approved to strengthen the transformation team, creating new divisional improvement leads and establishing an innovation fund. All of this work will prepare the ground for an expansion of our improvement programme during 2021/22.

A sustainable organisation that builds partnerships with purpose

The sale of land for housing development at Northwick Park Hospital was completed and the construction of a new hospital car park began with sustainability funding secured to develop a large-scale energy centre.

From May 2020, the Gold command arrangements, introduced at the beginning of the pandemic, were extended to co-ordinate both Covid-19 and recovery activities. Corporate support functions played key roles. The digital team upgraded hardware and software to enable a rapid transition to remote working; the facilities team introduced new cleaning and infection control procedures; and the procurement team helped maintain and distribute supplies of personal protective equipment.

Staff demonstrated extraordinary flexibility, including redeployment from back-office roles into supporting ward staff and patient transfers.

Covid-19 has fostered close cross-sector working, creating opportunities for us to influence and lead emerging priorities, such as the development of same day emergency care led by our Chief Medical Officer and the establishment of high-volume surgical hubs.

The impact of Covid-19 meant that progress against our aim to extend collaboration with the third sector, including community and voluntary groups, was restricted. Insights emerging from community engagement work linked to the vaccination programme will help to develop this work going forward.

Our partnership with The Hillingdon Hospitals NHS Foundation Trust has continued to strengthen. We supported their Covid-19 response by enabling transfers of critically ill patients into our intensive care unit and providing capacity at Central Middlesex Hospital to meet surgical backlogs. A substantive joint Chief Information Officer has been appointed and we will continue to look for opportunities to make further joint appointments.

Working relationships with partners across north west London have also strengthened. Successes include the support provided by local authority, primary care and community providers to

improve the flow and timeliness of hospital discharges. Sector governance arrangements, put in place under the joint committee of chief executive officers (CEOs), have streamlined the ability to introduce standardised models of care and establish integrated teams.

The North West London Integrated Care System (ICS) has matured substantially over the past year, as a result of the role it played in co-ordinating the response to Covid-19 and the subsequent recovery of services from the pandemic.

Collaboration across the sector takes place through a network of effective and well-established governance arrangements reporting into a joint committee of CEOs. We participate in ICS governance on an equal footing with partners from across acute, community, mental health and primary care.

Equality of service delivery

We have continued to work to improve equality of service delivery to different groups, while responding to the challenges of Covid-19.

Equality is one of our five HEART values and, as such, is actively communicated to staff, patients, families and carers:

- We value all people equally and treat them fairly, while recognising their individuality
- We want you to say: "I feel that I am seen as a person and treated fairly"
- We want our staff to say: "I feel that I am listened to and that my views matter."

Accessible and friendly

We have made improvements to the Trust website to make it more accessible and user friendly. Information is available in difference formats including PDF, large print, easy read, audio recording and braille. Where further help is required, our Patient Advice and Liaison service can provide support.

People with limited or no English may need information translating into an alternative community language. Our automated 'check-in' kiosks, for patients attending hospital appointments, offer translations in more than 40 languages. Patient information leaflets can also be translated, and our interpreting service is available via phone and face to face.

In response to the pandemic, we were able to offer online outpatient appointments and these have proved popular with patients and clinicians alike. We hope to build on this development to help improve access for those patients who do not need to physically come to hospital.

Diverse staff

We are a diverse employer and our staff representative of the communities we serve. Diversity is celebrated and different staff groups are encouraged to form support networks, which are actively promoted across the organisation.

The Trust is committed to developing its future leaders and ensuring increased representation of Black, Asian and Minority Ethic staff in senior positions.

Throughout the year, we demonstrated our duty of care to patients and staff through the ways we adapted and changed the way we work. Our Chief Executive (CEO) is the board champion for race and ethnicity and holds regular meetings with the Black and Minority Ethnic (BME) Staff Network. In addition, monthly CEO open listening events for all staff help build understanding about what the organisation can do to ensure equality and support a more inclusive workforce.

Other board members are designated champions for protected equality characteristics including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Improving access to services

We made significant capital investments during the year, some of which were secured through national funding made available during the pandemic. This work included the enlargement of the same day emergency care service at both the Ealing and Northwick Park hospital sites.

Throughout the pandemic the safety of patients and staff has remained our number one priority. We introduced health and temperature screening at the entrances to our hospitals and put in place partitions in A&E and ward areas. In addition, over 5000 Covid-19 signs were installed to help maintain social distancing and re-direct patient pathways. The signage was essential in helping to protect staff and patients.

We have utilised technology to support staff to work from home and implemented a digital first approach to outpatient activity and used telehealth to support patients discharged with Covid-19 for respiratory follow-up.

Quality and improvement

Transformation

Our transformation programme trains and empowers staff to think and act differently, to improve patient care, staff experience and reduce waste.

The Chief Medical Officer and Deputy Chief Executive for Transformation provides leadership at an executive level, with the transformation team, clinical leads and collaborations driving improvements across the Trust.

Making the impossible possible

Covid-19 has accelerated new ways of working and inspired innovations across our services. Almost overnight, changes previously seen as impossible became a necessity. In the absence of evidence or best practice on "what works", ideas suggested by new teams of staff, many working together for the first time, were tried, and quickly improved. The experience has provided valuable lessons for the Trust and created momentum for strengthening a culture of continuous improvement.

Throughout the year, the transformation programme continually changed its priorities and focus according to the needs of the Trust. This evolved from supporting rapid expansions of capacity and the emergency response in the first wave of the pandemic, to establishing new, safe pathways during the summer and autumn recovery, and then addressing the winter second wave surge and launching the vaccine roll-out.

Key innovations and achievements

Our same day emergency care (SDEC) service at Northwick Park Hospital was moved next to the emergency department (ED) and the range of patients it could support was expanded. 30% of admitted patients now go through SDEC and home on the same day, rather than needing to stay overnight. This, alongside concentrated efforts on improving discharge processes, contributed towards a fall in our average length of stay by one day measured during September to November (the most "normal" period this year to draw historical comparisons). As a result, patients spent 20,000 fewer nights in a hospital bed, during these three months, compared to the same period in 2019. We also expanded the range of SDEC services at Ealing Hospital.

In April we became the second NHS trust in the country to launch rapid PCR (polymerase chain reaction) Covid-19 testing on Samba II machines. This allowed 40 priority tests a day to be available within four hours. Innovative diagnostics and a new ED "hot lab" were used to get patients to the right bed, safely, first time. Our research on lateral flow devices (rapid Covid-19 tests with 30-minute results) inspired a new national protocol to help other NHS trusts manage their Covid-19 testing.

We created a critical care predictive capacity tool, providing 90%+ confidence in the number of beds we would need four-days ahead of time. This tool became crucial to our winter planning and was also used by the wider north west (NW) London sector.

Covid-19 led to closer, collaborative working, with our partners across NW London in several clinical areas. This included the development of fast-track surgical hubs, to support better patient outcomes and improved productivity. Central Middlesex Hospital (CMH) was converted into a Covid-19 secure site and received £2m of funding to become an orthopaedics elective hub for NW London.

In addition, as part of our response to Covid-19 and winter planning, St Mark's colorectal services were temporarily transferred from our Northwick Park site to CMH.

Working in partnership with Imperial College Healthcare NHS Trust, three new MRI scanners were installed at Ealing Hospital which became one of NW London's first community diagnostic hubs. These hubs will increase patient access to advanced diagnostics, including helping in the early detection of cancer.

New digital services were created, including the Covid@Home service supporting virtual community monitoring of over 500 patients referred from ED, and a Covid-19 virtual ward which supported 100 recovering patients to safely leave hospital.

We also led the opening of the second mass vaccination centre in London at Wembley in January 2021, working with the local authority, CCG and volunteers. The centre vaccinated over 15,000 people in its first month.

Improving our environment

Adapting our hospitals

At the start of the pandemic our immediate priority was to ensure that enough intensive care beds and respiratory support areas were available to treat patients with Covid-19. The overall oxygen demand required to help patients fight the virus was unprecedented.

Within the first five days of the pandemic breaking, operational engineering and medical equipment teams worked around the clock to increase our critical care capacity.

As we learnt more about how best to care for patients, demand for growth in provision of non-invasive ventilation emerged. This proved a major engineering challenge with the machines requiring up to ten times more oxygen per minute than mechanical ventilators. The ingenuity and creativity of the estates and facilities team, managing demand on an hourly basis in close consultation with clinicians, was major success during the first wave of Covid-19.

During the summer, in preparation for the expected second wave of the virus, the team completely restructured the oxygen network implementing new, more effective equipment and preparing us for the winter.

Infection control was a key priority to protect both patients and staff. Wards across our hospitals were transformed to meet this challenge. One thousand polythene airlocks, with zip sealed

accesses for Covid-positive areas, were produced. These were installed within almost every clinical and surgical department at Northwick Park Hospital, and in specific wards and the intensive care unit at Ealing Hospital. In addition, over 5000 signs were installed across the Trust to maintain social distancing and re-direct patient pathways.

As part of the Trust's winter plans and on-going response to the pandemic, St Mark's Hospital services were temporarily transferred to Central Middlesex Hospital, moves that needed to happen quickly and safely.

Our cleaners, porters, security guards, linen teams and many others also responded to an unprecedented demand for their services. The dedication of staff was unwavering. Our patient transport teams, recognising the reduced demand on their own service, actively volunteered to redeploy into any role asked of them at the height of the crisis. The waste management team were also exceptional, maintaining strict discipline in segregation of PPE disposables and recycling.

Delivering improvement projects

Despite the pandemic, work on improving the hospitals across the Trust continued. Work was started on a new, 700 space staff car park that will open in summer 2021. The innovative design incorporates a large area to install a complete replacement of Northwick Park's heating and hot water system. This will deliver a saving of £38m over the 15-year contract term and reduce carbon generation by over 1700 tonnes annually.

Working in close partnership with Brent Council, Network Homes and the University of Westminster a £10m grant was secured to redevelop the road infrastructure around Northwick Park Hospital.

Many clinical improvements were also delivered including the refurbishment of Frederick Salmon Ward, the development of a new paediatric unit and the redevelopment of our Regional Hyper-acute Rehabilitation Unit which looks after people who have severe complex physical disabilities, often after they have had a stroke or brain injury.

In February, Northwick Park's cath lab re-opened following a £1m refurbishment. The lab is equipped with the latest diagnostic imaging equipment to treat patients with heart conditions.

At Ealing Hospital work was undertaken to redevelop the intensive care and high dependency facilities with ward refurbishments on 3 South (in support of our short stay patients) and 8 South (infectious diseases) both in response to the pandemic but also a long-term facility for Ealing residents. We also created a new Ealing Acute Care Unit to improve patient pathways. Working with a local environmental group we were also pleased to welcome two new residents at the hospital, a pair of breeding peregrine falcons.

Research and development

The research and development department (R&D) leads, manages and develops research across the Trust. NHS trusts in England are required to look more closely at research as a priority for improving patient care, because of new questions included in the Care Quality Commission well-led framework.

Evidence shows that patients treated in a research active hospital receive better quality of care, have lower mortality rates and reduced recovery time. There is also evidence which suggests that incorporating research in routine clinical roles, makes it easier to attract and retain doctors, nurses, midwives and allied health professionals.

Performance

During 2020-21, the Trust has continued to expand its research portfolio and increased opportunities for patients and clinicians to take part in high profile research projects including urgent public health and Covid-19 research studies.

R&D also increased its portfolio of service evaluations and quality improvement projects. We continue to work with our industry partners and collaborators to ensure increased commercial research activity.

The Trust has recruited 7,323 patients to 46 clinical research studies. This includes 2,348 patients into the Oxford-AstraZeneca vaccine trial, the National Institute for Health Research (NIHR) recovery trial, sponsored by the University of Oxford and the 'platform trial' REMAP-CAP trial.

In March 2020, R&D suspended the setup of all new studies and patient recruitment into existing studies except for nationally prioritised Covid-19 studies and specified urgent critical care/ essential treatment studies. We have successfully restarted over 80% of studies in addition to continued support for Covid-19 nationally prioritised studies.

At the end of 2020, a new Clinical Research Facility (CRF) was established at a cost of £400,000. The CRF is the first dedicated facility within the Trust to deliver treatments and interventions to research participants. The facility is equipped with a leading-edge lab, four treatment bays, on site research pharmacists as well as having its own team of clinical staff with extensive research experience.

Patient and public engagement

Our Patient Research Forum continues to work remotely to support our researchers and take active role in advising and reviewing new research ideas from researchers. Patients are also involved in the early stages of research projects via focus groups and feed into protocol development.

The NIHR asks all trusts to collect information from patients and services users about their experience of taking part in NHS research through the Participant Research Experience Survey (PRES).

In 2020/21 we increased research participant engagement with PRES. Of the 193 PRES responses received, 90.1% of participants felt the research teams valued the participants involvement in research and 92.3% of patients would take part in research again based on their experience. Data from PRES is regularly reviewed helping us to better understand what the experiences of our research participants are and where we can improve.

Volunteer service

Our volunteer service is committed to delivering a programme which volunteers will find rewarding and fulfilling, while also making a positive and substantial contribution to how patients experience their stay in hospital.

We have a pool of over 500 volunteers who provide support to staff, patients and their families across our three hospital sites. Throughout 2020/21 the service dealt with the impact of Covid-19 and during the first wave the volunteer workforce were stood down from their roles.

During 2020/21, the service revised recruitment processes, devised volunteer handbooks and registered with Health Education England's learning for health programme. We also launched a volunteer newsletter, presented long service awards and reinstated a small cohort of volunteers to support hospital entrance temperature checks, ward mealtimes, chaplaincy visits and office administration.

The volunteer service worked jointly with outside organisations including:

- North West London Integrated Care System Volunteering Programme which highlighted the need for a shared learning platform across our community and acute sector. Presentations focused on learning from the initial response to Covid-19 and how volunteering services supported and adapted to challenges.
- Brent Council, North West London Clinical Commissioning Group and Central and North West London NHS Foundation Trust. Together we explored the role of the voluntary sector in improving services for people living with low level mental health, working with communities protecting people from Covid-19 and tackling health inequalities.

The latter part of the year saw the volunteer service partner with LNWH Charity and the Trust's health & wellbeing team to address staff needs as part of the Live Well Work Well initiative.

The service successfully secured funds from the NHS England and NHS Improvement's Winter Volunteering Programme. The project aims to provide support to hospital areas with restricted or no visiting to enable family contact/liaison, as well as supporting property hubs across the Trust.

The volunteer team received great support from strategic leads at NHS England and NHS Improvement with the recovery framework for NHS Volunteer Services and the Future NHS Collaboration Platform.

Looking ahead, we will focus on recovery planning to bring volunteering back to business as usual. This will include implementing new ways to safely on-board volunteers, adapting and reinstating existing volunteer roles.

LNWH Charity

In responding to the pandemic LNWH Charity launched a Covid-19 appeal with local communities coming together to raise over £627,000. The charity also coordinated food deliveries for staff and collaborated with volunteers to facilitate gifts-in-kind worth over £111,000.

Funding life-saving equipment

Through the generosity of our faith-based charitable trusts, we funded life-saving medical equipment for critically ill patients. We coordinated funding to provide medical equipment including new ventilators, nutrition and medication pumps and haemofiltration (a form of renal dialysis) machines. We also provided the logistics to get equipment into wards and departments to support the treatment of Covid-positive patients.

Patient and staff wellbeing

The Charity raised £194,000 from NHS Charities Together. This included:

- £50,000 to boost our Link Well project, a remote interpretation service, which assists Black Asian and Ethnic Minority patients whose first language is not English.
- Three rounds of urgent response grants totalling £144,000. These were used to aid the physical and mental wellbeing of staff, patients, and volunteers. Through this funding, we provided the Medawar Room (a wellbeing space in Northwick Park Hospital), funded online workshops for senior staff, made available comfort and wellbeing packs, radios and tablets to patients.

Covid-19 will have a lasting impact on Trust staff and the charity is providing long-term targeted support, including holistic healthcare check-ups, to help with early detection of issues and provide mental health screenings. We are also working with the Trust's health and wellbeing team to explore opportunities to fund other initiatives.

Further information about the work of the LNWH Charity can be found at www.lnwhcharity.org.uk

Financial summary

Our financial position for the financial year 2020/21 is significantly different from the previous year and this is reflected in the reported results. The main reason for this is the change in the national financial arrangements for NHS trusts, put in place to support the response to the pandemic.

Prior to the reforms to the financial arrangements, the Trust accepted its financial control total for the year and submitted an annual financial plan for 2020/21 which forecasted an in-year deficit of £47.1 million, aligned with the North West London Long Term Plan. However, due to the pandemic, for the first six months of the year we were funded on a national 'block and top up' arrangement, with additional costs from the Covid-19 response re-imbursed directly to the Trust. This meant that we delivered a break-even financial position over this period. For the second half of the financial year, we were funded via the North West London Integrated Care System as well as through continued central funding. In the second half of the year, because of improvements in financial control and additional national and central funding, the Trust delivered an adjusted surplus of £1.372m against the NHS financial performance target.

Since 2009/10, NHS trusts are required to account and report financial information in accordance with International Financial Reporting Standards. This requires trusts to revalue their assets periodically. The impact for the Trust was a charge for impairment and reversal of impairment of £5.9m in 2020/21. An adjustment to account for income associated with donated assets of £1.048m and inventories received from the Department of Health and Social Care (DHSC) group bodies for the coronavirus response of £1.420m was also reflected in the retained deficit for the year. These three adjustments have been applied to the retained surplus of £1.372m giving a reported £2.062m income and expenditure account deficit in the Trust's annual financial statements.

The table below shows the financial performance of the Trust over the last two years:

Summary of results	Period ended 31 March 2021	Period ended 31 March 2020
Income	835,032	703,256
Expenditure	(822,195)	(800,062)
Operating surplus/(deficit)	12,837	(96,806)
Net finance costs including dividends payable	(14,523)	(11,197)
Other gains	(376)	498
Surplus/(deficit) for the year	(2,062)	(107,505)
Donated / government grant reserve, donated asset income and impairments	3,434	13,066
Adjusted surplus/(deficit) re statutory break-even duty	**1,372**	**(94,439)**

*Retained deficit - the retained surplus/(deficit) is the year end position of the Trust calculated when income and expenditure are added together. Where income exceeds expenditure there is a surplus. A deficit arises where expenditure exceeds income. The retained surplus/(deficit) for the current financial year is added to the cumulative position from previous years.

NHS trusts are required to break-even taking one year with another. This is called the 'statutory break-even duty.' Although we delivered an adjusted surplus in 2020/21, we have not met our break-even duty in relation to the rolling assessment period because of the deficits incurred in previous years which have not been recovered. The cumulative deficit is £325.93m, and the Trust has not met this duty.

Our surplus in the 2020/21 financial year was achieved after delivering £7m of financial efficiencies primarily delivered through a series of transformation initiatives. Despite, and in some cases because of, the challenges of Covid-19, our clinical and operational teams have implemented new ways of working which have supported both improved care and better efficiency and productivity. Examples include a reduction in non-elective bed days (additional days in hospital for our patients) from the implementation of the same day emergency care model and a reduced number of missed appointments by patients from the implementation of digital appointments in outpatients.

The Trust recognises the need to continue this improvement work and to build upon identified opportunities. Our transformation programme is a key driver for this work in 2021/22 and future years. This will help us to move towards meeting our financial and clinical sustainability goals for the organisation.

We are working in partnership with the wider North West London Integrated Care System (NWL ICS) and our future clinical and financial strategy should be seen in the context of working as an integral part of a wider system. The NWL ICS is determined to improve the health and well-being of the local population through a proactive model of care which will reduce the costs of meeting the care needs of the local population, enabling the system to move towards financial and clinical sustainability.

In 2019, we commissioned a review of the 'Drivers of the Deficit.' This was refreshed by the new leadership team in 2020. It provides the baseline understanding of those areas of additional cost or inefficiency in the Trust which support actions being taken to move towards in-year financial sustainability. The Trust is aiming to achieve a small deficit in the 2021/22 financial year. Recovery of the cumulative deficit is not covered by the Trust or the system recovery plans.

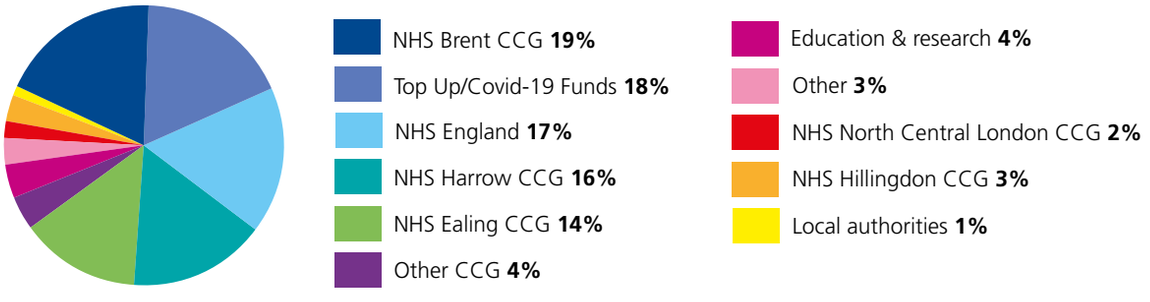
Income

Our income in 2020/21 was £835.032m compared to £703.256m in 2019/20. As part of the pandemic response, transaction flows were simplified, and the Trust moved over to 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 the Trust derived most of its income from these system envelopes. This framework does not reflect the contracting and payment mechanisms in place during the prior year.

This year's income includes £149m of Covid-19 and top-up funding provided to all NHS trusts to pay for the impact of the pandemic and to safeguard cash flow. The pie chart below shows that 49% of our income came from three main commissioners – Brent Clinical Commissioning Group (CCG) (19%), Harrow CCG (16%) and Ealing CCG (14%). The Ealing share of income has fallen due to the full year effect of the transfer of Ealing community services from the Trust to a new provider during 2019/20. We also provide services to other CCGs, including both Hillingdon and North Central London, which accounts for 8% of our income.

NHS England provided 17% of our funding largely relating to the provision of specialist healthcare. Education and research made up 4% of our revenue. The category of 'Other Income' decreased from 6% to 3% of total income last year as Covid-19 impacted on income generation and there were material provisions for disputed NHS invoices. We derived only 0.1% of income from private patients during 2020/21 and revenue from this source diminished considerably as a result of the pandemic. We are working on plans to restart this work in full.

Share



Expenditure

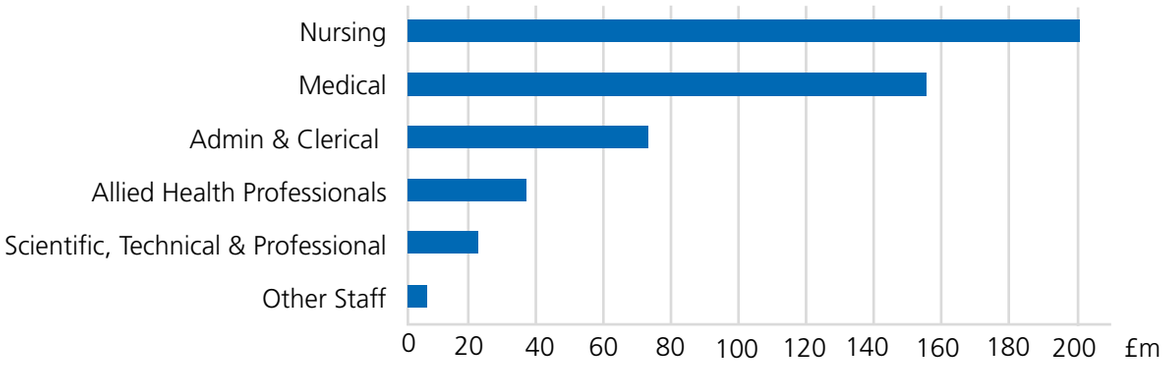
The Trust's total operating expenditure for the year was £822.195m compared to £800.062m in 2019/20.

Pay Expenditure

The Trust spent £503.076m on pay in the year, of which 72% was spent directly on medical and nursing staff.

The chart below shows the total pay expenditure across all staff groups.

How much we spend on our staff - £503m:

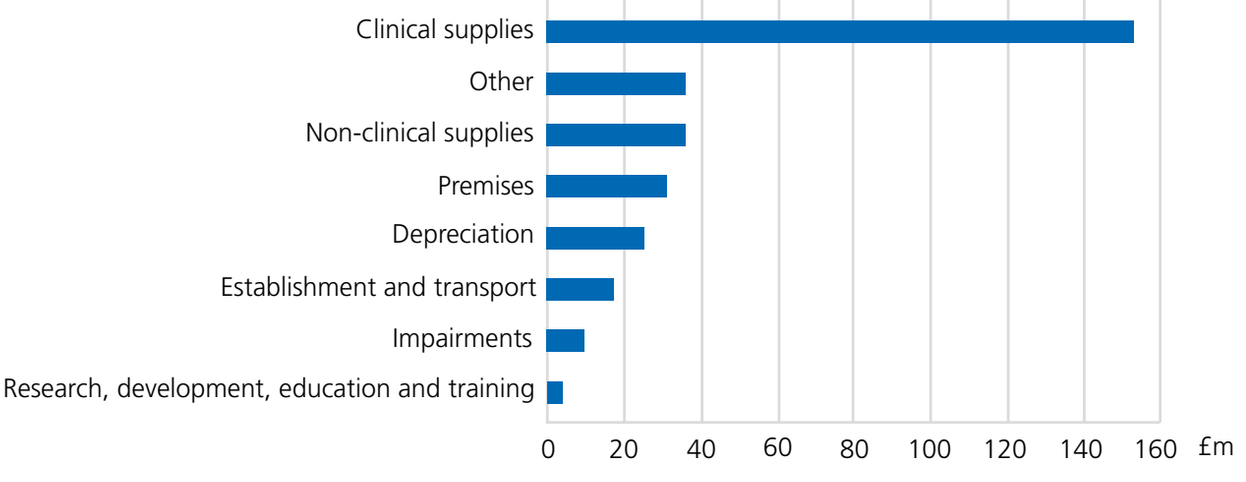


Non-pay expenditure

Non-pay expenditure was £300.8m and is illustrated in the chart below. The largest category of non-pay expenditure was on clinical supplies which support direct patient care on our wards and within our services.

Impairments in the year were £5.902m due to the revaluation of our estate assets based on an alternative site valuation methodology. This is excluded from our surplus reported against the Trust's break-even duty.

Non pay expenditure 2020/21- £300.8m



This year's expenditure includes £32m of new spend on areas such as Covid-19 testing, expansion of the workforce, ITU capacity expansion, personal protective equipment procurement, additional worked shifts and segregation of pathways.

Capital investment 2020/21

We invested £78.7m in our capital asset base in 2020/21, a significant increase on previous years. This has helped us to continue with our programme to digitise patient records, install new imaging equipment and reconfigure facilities to ensure Covid-19 compliance and address some of our key risks. In addition, the Trust spent approximately £1.7m on purchases of clinical equipment to meet the challenges of the coronavirus pandemic.

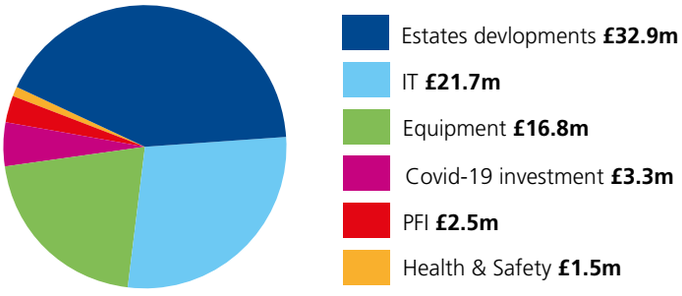
The capital programme was financed by £19.1m of internally generated funds, £57.7m public dividend capital and £1.75m relating to clinical equipment donated by DHSC for equipment required to meet the challenges of the pandemic.

The Trust maintained capital expenditure within the capital resource limit (CRL) agreed with NHS Improvement for the year, recording a minor under-spend of £184k or 0.2%.

The pie chart below shows how our capital was spent (addressing some of our key risks) and comprised of the following larger schemes:

- Estate works including ward re-configurations and infection control measures necessitated by the pandemic.
- Health and safety work across the Trust sites, comprising fire safety, electrical infrastructure and water quality projects.
- Investment in our IT and digital infrastructure to improve connectivity within Trust sites and support home working for staff.
- Medical equipment including MRI scanners, X-ray rooms and mobile X-ray units, ultrasound machines and theatre equipment.
- Investment in capital life cycle needs in the Private Finance Initiative (PFI) buildings.

Capital investment 2020/21 £78.7m



We secured approval for our digital care records project and are working with the north west London sector to secure additional capital funding for major strategic investment in facilities in Northwick Park and Central Middlesex hospitals.

Cash and Liquidity

In 2020/21 the Trust maintained a strong cash position, as a result of the changes in funding arrangements for NHS Trusts implemented by the DHSC at the start of the pandemic. These changes involved the suspension of the payment by results funding arrangements and replacement with a series of fixed sum block contracts which included funding for the Trust's historic deficit. Therefore, we did not require any deficit financing cash support in 2020/21.

During 2020/21 we received approximately £57.7m in public dividend capital funding for capital investment in imaging equipment, estate development, IT and Covid-19 related works.

Our cash balance at the end of the year was £8m (2019/20: £3.7m). The Trust met its financial duty to manage its overall cash requirement within the external financing limit set by DHSC and its financial duty to contain capital expenditure within the DHSC's CRL.

The better payment practice code (BPPC) requires the Trust to aim to pay 95% of undisputed invoices by the due date or within 30 days of the receipt of goods and services or a valid invoice, whichever is later. The Trust paid 96.1% by value of its non-NHS suppliers within 30 days compared to 92.6% last year.

The table below shows the Trust's BPPC performance.

Better payment practice code performance

	2020/21 £000	2019/20 £000	2020/21 number	2019/20 number
Non-NHS payables				
Total non-NHS trade invoices paid in the year	451,619	446,001	103,855	142,766
Total non-NHS trade invoices paid within target	434,041	412,797	91,090	115,338
Percentage of non-NHS trade invoices paid within target	96.1%	92.6%	87.7%	80.8%
NHS payables				
Total NHS trade invoices paid in the year	14,809	18,638	3,668	3,514
Total NHS trade invoices paid within target	14,123	17,830	3,080	2,975
Percentage of NHS trade invoices paid within target	95.4%	95.7%	84.0%	84.7%

Going concern

As in previous financial years, our financial statements have been prepared on the going concern basis, working on the assumption that the Trust will continue the provision of key services in the future, and will continue to have adequate resources to do so. This is in accordance with guidance shared by the DHSC and reflects the availability of cash and capital to support the ongoing requirements of the Trust. We have also considered the key drivers of financial sustainability, including the current financial framework and anticipate having adequate resources to support our operations for the foreseeable future. There are no material uninsured contingent liabilities which could impact on this assumption.

Financial Management

Staff across the organisation delivered an incredible response to the challenges arising from Covid-19. Clinical and operational managers and teams across the Trust continued to focus on managing within the resources available to them, and on improving the use of resources and financial management within the Trust. This was a remarkable achievement, and all staff should be proud of the contribution they have made towards delivering this financial result for 2020/21.

Jonathan Reid
Chief Financial Officer
June 2021

Our staff

We are immensely proud of the contribution that our staff have made over the past year, saving lives and delivering excellent care to both Covid-19 and non-Covid-19 patients.

We continue to make significant investments to improve their working lives and to listen to issues that matter to them. Our workforce continues to grow and in 2020/21 we employed 8,549 staff, a 3% increase over the previous reporting period. During this time, we recruited more nurses and doctors and worked more closely with our healthcare partners to care for the communities we serve.

Improving the health and wellbeing of our staff

In protecting our staff and patients from the impact of Covid-19 we reviewed the way in which we delivered services, implemented new ways of working and delivered care to our patients.

There was a strong focus on securing and promoting safe practices and minimising the risk of staff exposure to Covid-19 through the supply of personal protective equipment (PPE) and personal risk assessments. This also included supporting those colleagues who were shielding or who needed to be redeployed to ensure that they remained an integral part of their teams.

Health, wellbeing, and safety featured prominently in our top five NHS staff survey improvement scores. This reflected our investment in staffing and resources with more staff saying they do not work additional unpaid hours and do not feel under pressure to come into work when feeling unwell.

During the year we provided a range of physical and emotional support to our staff including:

- **Fresh fruit, hot food and donations:** Throughout the pandemic we received amazing support from the LNWH Charity and our local communities. Their support helped staff to cope with the difficult challenges presented by Covid-19. Moving forward, we are investing in a sustainable long-term programme of wellbeing support for staff.
- **Personal risk assessment:** More than 93% of our staff received a personal risk assessment from either their managers or though self-assessment at the point of recruitment. This ensured that line managers were able to have informed conversations about staff wellbeing and put in place support to reduce exposure to Covid-19.
- **Project Wingman:** Provided airport style lounges at Northwick Park and Ealing hospitals, giving staff a relaxing and comforting space where they could unwind and recuperate.
- **The employee assistance programme:** A 24-hour telephone support line for counselling and advice on subjects including financial, legal, childcare, alcohol and drugs.
- **Keeping well service:** Offering free and confidential psychological support for NHS staff.

Equality, diversity and inclusion

As a large local employer, we strive to be an inclusive organisation, a place where staff feel valued and are treated with dignity and respect. We continue to promote equality and diversity in all aspects of the working lives of our staff and in delivery of inclusive services to our patients.

During 2020/21 the Trust employed 75% women and 25% men. Most women in the Trust work flexible or part time hours, reflecting the national picture on working patterns.

65% of our employees declared as Black, Asian and Minority Ethnic up from 62% in the previous year. 2% of our staff declared their sexual orientation as Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI) and a further 2% declare as having a disability.

The Black Lives Matter movement, together with the impact of the pandemic on minority groups, raised national awareness of inequality issues and helped inform local conversations. This resulted in a more focused and directed approach to tackling structural inequality within the organisation. The Trust made several strategic commitments to support a more inclusive organisation including:

- A review of the Trust recruitment and selection processes for inclusion
- Introduction of inclusive recruitment panels and diversity reporting on appointment
- Investment in staff networks to promote staff engagement and the employee voice
- Launch of positive action initiatives to increase Black, Asian and Minority Ethnic representation in senior roles
- Relaunch of the Disability Inclusion Network with an executive director as chair
- Introduction of executive diversity champions across all protected characteristics
- All-staff and Black, Asian and Minority Ethnic listening events helping staff to better engage with the Trust board
- Achieved Disability Confident Employer level 2 status. This demonstrates that we operate a guaranteed interview scheme for any person with a disability who meets the essential criteria of a job profile.
- Introduced positive action initiatives to accelerate Black, Asian and Minority Ethnic progression and representation in senior roles.

The Trust has set out a programme of action to meet its commitments for an inclusive organisation. This will be taken forward via a new equality, diversity and inclusion strategy.

Staff survey 2020

For the first time in five years the Trust ran a mixed mode survey (a mix of paper and electronic questionnaires). A full census was also undertaken whereby all Trust staff were invited and encouraged to participate in the survey. In addition to the core survey questions, the Trust opted for specific questions on leadership and our HEART values.

Our performance and response rate

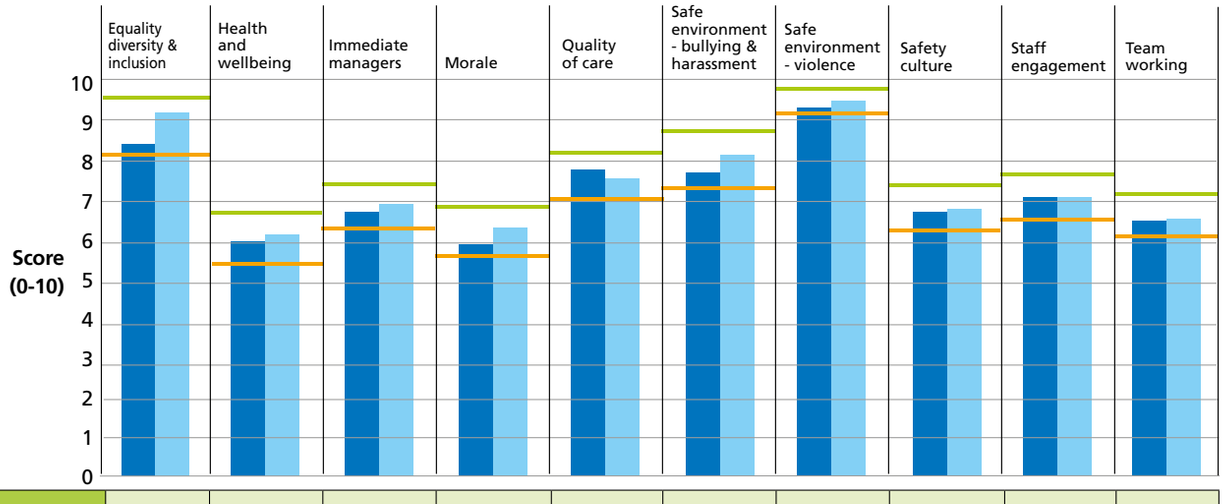
Over the last five years the Trust has shown incremental improvements in its staff survey performance and in 2020 it ranked 18 out of 59 organisations taking part in the Picker survey. During this survey period, 4,235 of our staff took part representing 53% of the workforce and our highest response rate to date and above the national response of 45% for both acute and acute community trusts.

This represented an eight percentage point increase when compared to our response in 2019 (45%). This achievement is impressive during a year of significant turbulence for the Trust because of Covid-19. Similarly, all divisions showed increases in response levels when compared with the previous year.

The survey questionnaire covered six key themes relating to the working environment and staff experience of the workplace:

- Your job
- Your managers
- Your health
- Wellbeing and safety
- Your personal development
- Your organisation.

When compared with 2019, this year's results showed historical improvements in our performance, demonstrating that changes we have been making are improving the working lives of our staff. However, we know that there is still much to do to ensure that we build on incremental achievements.



	Equality diversity & inclusion	Health and wellbeing	Immediate managers	Morale	Quality of care	Safe environment - bullying & harassment	Safe environment - violence	Safety culture	Staff engagement	Team working
Best	9.5	6.9	7.3	6.9	8.1	8.7	9.8	7.4	7.6	7.1
Your org	8.3	5.9	6.6	5.8	7.7	7.7	9.3	6.6	7	6.4
Average	9.1	6.1	6.8	6.2	7.5	8.1	9.5	6.8	7	6.5
Worst	8.1	5.5	6.2	5.6	7	7.2	9.1	6.1	6.4	6
Responses	**4,099**	**4,123**	**4,125**	**4,070**	**3,864**	**4,002**	**4,111**	**4,095**	**4,163**	**4,122**

Staff engagement

In 2020, our staff told us they are motivated and are absorbed in their work. Our overall employee engagement index (EEI) score increased from 6.9 to 7.0 (out of a score of 10). This score was consistent with the Picker engagement average. This year's improvement is also reflected at a divisional level with, all divisions either maintaining or increasing their engagement scores.

Staff survey engagement questions

Theme	Question statements	Average	2020	2019
Motivation	Often/always look forward to going to work	58%	64%	62%
	Often/always enthusiastic about my job	73%	74%	73%
	Time often/always passes quickly when I am working	76%	80%	80%
Involvement	Opportunities to show initiative frequently in my role	70%	71%	70%
	Able to make suggestions to improve the work of my team/dept	72%	69%	70%
	Able to make improvements happen in my area of work	72%	69%	70%
Advocacy	Care of patients/service users is organisation's top priority	54%	55%	56%
	I would recommend organisation as a place to work	66%	60%	54%
	If a friend/relative needed treatment would be happy with standard of care provided by organisation	73%	63%	59%

Health and wellbeing

The Trust showed statistically significant improvements in staff responses to health, wellbeing and safety questions. These feature prominently in our top five improvement scores when compared with benchmarked organisations and previous year. This reflects ongoing investment in staff wellbeing which has reaped dividends as fewer staff said they worked additional unpaid hours and fewer did not feel pressure coming into work when feeling unwell.

The tables on the next page identify the top five scores where we improved when compared with other Picker organisations and with 2019 survey.

Top 5 scores compared with average

Theme	Top 5 scores (compared to average)	Average	2020	2019
Health Wellbeing & Safety	Q11g. Not put myself under pressure to come to work when not feeling well enough	8%	14%	13%
	Q12d. Last experience of physical violence reported	68%	71%	75%
Your Job	Q2a. Often/always look forward to going to work	58%	64%	62%
	Q7c. Able to provide the care I aspire to	70%	74%	71%
	Q2c. Time often/always passes quickly when I am working	76%	80%	80%

Top 5 most improved scores in 2020 compared to 2019 and average

Theme	Top 5 scores (compared to average)	Average	2020	2019
Health Wellbeing & Safety	Q11d. In last 3 months, have not come to work when not feeling well enough to perform duties	52%	52%	44%
	Q10c. Don't work any additional unpaid hours per week for this organisation, over and above contracted hours	46%	46%	41%
Your Job	Q18a. Care of patients/service users is organisation's top priority	80%	77%	71%
	Q4g. Enough staff at organisation to do my job properly	38%	38%	32%
	Q18c. Would recommend organisation as place to work	66%	60%	54%

Bullying and harassment

Our staff continue to tell us that their experiences of working in the Trust are not in synergy with our HEART values. Responses indicate that more staff are experiencing bullying and harassment however fewer are reporting this. This area will form a strong area of focus in our new equality diversity and inclusion strategy.

Your manager

When compared with 2019, the Trust performance was largely unchanged; reporting poor performance on questions relating to relationship with immediate manager including lack of support, recognition for good work, knowing senior manager and amount of responsibility given. Staff also gave poor feedback on 'involvement in change'. Historically these findings have consistently been below the national average for comparable organisations. Conversely, at a divisional level, divisions such as urgent and emergency care showed positive feedback in this area outperforming both the Trust and Picker average on all 'Your Manager' questions. This is also reflected in their high engagement scores.

Equality and diversity

The national report integrates a breakdown of the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES). In terms of the WRES, Black, Asian and Minority Ethnic staff tell us they are more likely to experience bullying, 31% compared with White colleagues 24%.

In terms of the WDES, staff with a disability (long-term condition) are more likely to feel pressure (from their manager) to come to work when feeling unwell (36%) when compared to staff without a long-term condition. The national average for responses to this question from staff with a long-term condition is 23%. LGBTQI staff say they have experienced discrimination because of their sexual orientation (2.4%).

The equality diversity and inclusion strategy will provide a defined framework that will enable the organisation continue to implement initiatives to remove these disparities.

Responding to staff feedback

As we reset and recover from Covid-19 we aim to build on areas of strength and learn from staff feedback through their lived experience to continue to transform our services and their working lives. We have already commenced creating and reshaping our processes to support improvements. Divisions and corporate functions have all developed plans in response to the staff survey and over the next year we will:

- Relaunch our people and organisational development strategy which will provide a platform on which we will launch our compassionate leadership programme
- Launch our new equality, diversity and inclusion strategy, co-produced with our staff. This three-year roadmap sets out our plans for creating an inclusive organisation.
- Refresh our HEART values complimented by a behavioural change programme to enrich and strengthen relationships at all levels of the organisation
- Continue to grow our Black, Asian and Minority Ethnic talent pipelines through a range of positive action initiatives; including collaborating the north west London sector in the development and launch of the Black, Asian and Minority Ethnic leadership ladder rotational programme
- Review our HR structures for inclusion and implement recommendations as appropriate
- Empower staff and strengthen their involvement in decisions and service improvement through our ‘wow boards’ and local development support for our leaders and managers

Education and training

As a major local employer and education provider, we are committed to training and developing our staff to the highest standard to enable them to deliver excellent care.

We enjoy strong partnerships with local schools and universities delivering award-winning programmes such as project search which provides work experience opportunities for young interns with learning disabilities, many of whom are now our employees; in 2020/21 63% of our interns were employed.

The Trust continues to invest in apprenticeships as a vehicle for building the skills and competencies of its workforce. We promote on the job learning and enable apprentices to work innovatively in transforming services and caring for patients.

Learning from Covid-19

In response to the pandemic, we mobilised and retrained our workforce to remain safe and treat seriously ill patients. As a result, we introduced new modes of training delivery and modified programmes to support remote learning. We trained over 5500 staff updating their knowledge and skills on all aspects of care. This included:

- 4,498 staff attending PPE training
- 628 staff upskilled to work in intensive care - this included medical and nursing staff
- 120 student nurses inducted to support clinical roles
- 80 staff attended non-invasive ventilation training
- 334 staff participated in the ALERT (Acute Life-Threatening Events Recognition and Treatment) study session
- 71 staff attended training to support those redeployed from sexual health the dental team, and Moorfields Eye Hospital.

Continuing Professional Development

There were 644 applications for 'non-mandatory training' courses to universities and higher education institutions in the UK. This included applications for diplomas and MSc programmes directly funded by the Trust.

We also ran in-house training specifically geared at new managers, including the Black, Asian and Minority Ethnic leadership programme and the 'Leader's Development Programme'. In addition, the Trust offered a range of programmes to upskill managers and support their career progression.

Apprenticeships - This year our apprentice levy spend increased to £311,800 and we anticipate sustained growth in 2021 to £1.2m. We now have over 29 different apprenticeships with the support of 20 training providers from a level 2 (diploma) to level 7 (master). Our programmes also include the nurse associate programme which supports the career progression of our healthcare support workers enabling them to gain further qualifications and potentially become qualified nurses.

Pre-registration nursing - During the pandemic we inducted, supported and welcomed 153 pre-registration nursing students and 10 midwifery students. They were a valuable resource in treating and caring for our patients during this difficult time.

Listening to our patients

It is crucial that all those who use our services, be they patients, visitors, relatives, or carers, are given the opportunity to let us know about how we did. We want to hear about when we have done well and how this experience might benefit other services across the Trust. We also want to hear where we have not done so well, giving us the opportunity to improve our ways of working.

We can receive feedback in several ways including:

- On the ward or in outpatient clinics
- Twitter, Facebook and other social media platforms
- Stakeholder events
- Engagement forums such as Healthwatch
- Surveys
- Friends and Family Test
- Liaising with the Patient Advice and Liaison service
- Writing directly to the Trust
- Posting on the Care Opinion website
- Via the Medical Examiner system

Feedback is used to help develop the services we provide and ensure that we continue to improve the experience for anyone who comes to our hospitals or community sites.

PALS

Our Patient Advice and Liaison service (PALS) team are on hand for those who needs advice, information or wish to advise or comment about their experience with the Trust.

From April 2020, due to the pandemic, our PALS offices at Northwick Park and Ealing Hospital needed to close. However, the PALS team continued to offer a telephone and email service to all enquirers.

The aim of the PALS team is to try to ensure that low level issues or concerns are resolved within 48 hours. This could be in relation to a query about an appointment or a concern occurring on one of our wards. The PALS team will try to ensure that the right person is identified to contact and discuss any issues with the enquirer, or if appropriate, provide information to the enquirer themselves.

For more serious concerns, or for issues that may need to be investigated in more detail, the PALS team may recommend the formal complaints process and direct enquirers to the Patient Relations team.

The PALS team recorded 2,771 enquiries during 2020/21. The following table outlines the common themes arising from PALS enquiries over the last three years.

2020/21		2019/20		2018/19	
Communications	27%	Communication (written/verbal)	36.26%	Communication (written/verbal)	32.69%
Appointments	22%	Appointments/outpatients	33.58%	Outpatients	22.22%
Signposting	10.3%	Clinical treatment	8.46%	Clinical treatment	9.49%
Clinical Treatment	4%	Admissions and discharges	4.96%	Delays	6.85%
Loss of Property	3.75%	Staff values and behaviour	2.08%	Signposting	6.79%

The way in which we collect this data can be broken down further.

For example, for communications, 37% of those were in relation to communication with relatives and/or carers, with a further 30% to do with communication with the patient.

For appointments, 34% of those were concerning delays, including the length of time waiting for an appointment, and 14% were regarding appointment cancellations.

Complaints

There will be times when we do get it wrong, and it is important for patients and their loved ones to let us know when we do. One way of doing this is to submit a formal complaint.

Our priority is to put right anything that we can straight away, and our Patient Relations team will do their best to do this with the assistance of colleagues in the Trust.

In 2020/21, we received 652 formal complaints. This is significantly lower than the 947 complaints received during the previous year. The reduction is linked to the impact of Covid-19, which led to a decline in the number of patients using our services.

The impact of the pandemic also led to the NHS complaints process being paused between April and June 2020. We continued to receive and register complaints during this time, and address those that we could. The numbers received throughout the rest of the year were on average 30 fewer per month than in a "normal" year.

Each complaint received is acknowledged within three working days, at which time we provide a date that we aim to respond by. This three-day timeframe is one of the ways that we measure our performance. During 2020/21, we responded to 69% of complaints in time. Unfortunately, due to the pressures involved in dealing with pandemic, performance decreased to 58%.

Most frequent complaint themes by percentage per year:

2020/21		2019/20		2018/19	
Clinical treatment	29.75%	Clinical treatment	29.88%	Clinical treatment	32.69%
Staff values and behaviour	17.02%	Staff values and and behaviour	13.3%	Communication (written & verbal)	12.09%
Communication	11.34%	Appointments (delays/ cancellations)	13.2%	Staff values and behaviour	11.27%
Patient's privacy, dignity & wellbeing	9.04%	Communication/ information to patients	12.14%	Appointments (delays/cancellations)	10.81%

Parliamentary and Health Service Ombudsman

Once a formal complaint has been addressed through the formal complaints process, complainants have the option to refer their complaint to the Parliamentary and Health Service Ombudsman (PHSO) for independent review.

The PHSO also paused their processes, in line with the NHS Complaints process, between April and June 2020. Altogether in 2020/21 the PHSO produced three final reports that included recommendations for the Trust to action.

Compliments

We welcome positive feedback from users of our services. This helps us to understand what we are doing right and helps serve as a reminder to our staff how much their efforts are appreciated.

In total we received 157 official compliments, which were received within the PALS and Patient Relations teams.

We also received 77 positive reviews on Care Opinion, which were also shared with the staff in the appropriate teams.

Friends and Family Test

This year 9264 people gave us feedback using the Friends and Family Test. The decline in numbers compared to last year is predominately due to the Covid-19 pandemic and the impact it had on feedback collection methods that would have usually been used by the Trust. The national suspension of FFT collection came in from March 2020, and following the reinstatement national guidance continued to advise trusts to collect responses where safe to do so, and as a results some areas that due to infection prevention and control recommendations haven't been able to use paper forms, haven't resumed normal collection yet.

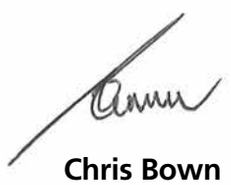
October 2020 saw the national introduction of the new Friends and Family Test question. The core change made was the main question changing from if service users 'would recommend our services to their friends and family' to the new phrasing to ask 'overall, how they rated their experience'. This and the increased focus on inviting free-text feedback through the surveys are to create a more qualitative focus on the feedback collected, and to be able to use it more effectively for improvement.

Of the total number of responses, 94% said they would recommend or our services as positive; this is aligned with our Trust benchmark of 94% set for the recommend rating. We are particularly proud to see that 96.8% said they were treated with dignity and respect, which displays a good indication that staff have taken on board and are living the Trust's HEART values. Despite the considerably lower number of FFT feedback collected, our results are consistent with 2019/20 pre-pandemic levels.

The table below shows the total number of responses received and recommended/ positive score per service:

	Responses	Recommended/Positive
A&E	874	91.65%
Outpatient	3,705	94.37%
Inpatient	3,771	95.04%
Maternity	612	92.85%
Community	302	93.62%

Signature to the performance report:



Chris Bown
Chief Executive
June 2021

The Accountability Report

Corporate Governance Report

The Directors' Report

1. The Trust board is accountable, through the chair, to NHS Improvement (NHSI) and is collectively responsible for the strategic direction and performance of the Trust, and has a general duty, both collectively as a unitary board, and individually, to act with a view to promoting the success of the organisation. It has overall responsibility for ensuring delivery of safe and effective services in accordance with legislation and the principles of the NHS Constitution.
2. The members of the Trust board possess a broad range of skills. The executive directors are recruited by the board with a process overseen by the appointments and remuneration committee. The non-executive recruitment is overseen by NHSI who have a specific role in appointing and supporting NHS trust chairs and non-executives. These are public appointments made using powers delegated by the Secretary of State for Health.
3. In compliance with the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, all Trust board directors have been assessed as being fit and proper persons to be directors of the Trust.
4. The performance of all directors is reviewed in an annual appraisal which forms the basis of their individual development plan: for executive directors, by the chief executive; for non-executive directors and the chief executive by the chairman; and for the chairman, by self-assessment with sign-off by NHS Improvement.
5. During the year there have been a number of changes to board members:

Associate Non-Executive Directors:

Associate Non-Executive Director Dr Syed Mohinuddin joined the board on 1 February 2021

Associate Non-Executive Director Kingsley Peter joined the board on 1 February 2021

Associate Non-Executive Director Huda As'ad joined the board on 1 February 2021.

Executive Directors

Chief Financial Officer Jonathan Reid joined the board on 1 April 2020.

Our board as of (date of signing the Annual report)

Chair

Lord Amyas Morse

Chief Executive Officer

Chris Bown

Non-Executive Directors

Janet Rubin (Vice Chair)
Professor Desmond Johnson
Professor David Taube
Dr Vineta Bhalla
Andrew van Doorn
Neville Manuel
David Moss

Associate Non-Executive Directors

Dr Syed Mohinuddin
Kingsley Peter
Huda As'ad

Executive Directors

Simon Crawford, Director of Strategy and Deputy Chief Executive Officer
Dr Martin Kuper, Chief Medical Officer and Deputy Chief Executive for Transformation
Lisa Knight MBE, Chief Nurse
Ellis Pullinger, Interim Chief Operating Officer
Jonathan Reid, Chief Financial Officer
Claire Gore, Director of HR and Organisational Development
Mark Trumper, Director of Estates and Facilities
David Searle, Director of Corporate Affairs

Declarations of interest

Trust board members are required to declare any interests. The register is available on the Trust's website (www.lnwh.nhs.uk).

Personal data related incidents

This is described in more detail in the Annual Governance Statement see page 45.

Board and board committee meetings register of attendance

Attendance of board and board committee members at Trust board meetings and board Committee meetings for the period 1 April 2020 to 31 March 2021:

Name	Position	Trust Board Meeting	Appointments and Remuneration Committee	Audit Committee	Charitable Funds Management Committee	Finance and Performance Committee	Quality & Safety	Workforce, Equality & Inclusion
		6*	3	6	3	10	10	4**
Lord Amyas Morse	Chair	6	3					
Professor David Taube	Non-Executive Director	6	3				10	
Professor Desmond Johnston	Non-Executive Director	4		0				
Mrs Janet Rubin	Non-Executive Director	6	3			10		4
Dr Vineta Bhalla	Non-Executive Director	5			3	9	10	
Mr Andrew van Doorn	Non-Executive Director	6		6	3			4
Mr David Moss	Non-Executive Director	6		3/3			10	4
Mr Neville Manuel	Non-Executive Director	6		5	0	9		
Dr Syed Mohinuddin	Associate Non-Executive Director	1/1						
Mrs Huda As'ad	Associate Non-Executive Director	1/1						
Mr Kingsley Peter	Associate Non-Executive Director	1/1						
Mr Chris Bown	Chief Executive Officer	6				9		
Mr Simon Crawford	Director of Strategy & Deputy Chief Executive	6			2		6	4
Dr Martin Kuper	Medical Director	6				2	10	3
Mr Ellis Pullinger	Interim Chief Operating Officer	6				10	9	
Mr Jonathan Reid	Chief Financial Officer	5			3	10		
Mrs Lisa Knight	Chief Nurse	6				0	9	0
Mr David Searle	Director of Corporate Affairs	6						
Ms Claire Gore	Director of HR and Organisational Development	6			2	7		4
Mr Mark Trumper	Director of Estates and Facilities	6				6		

* There were a total of 6 Trust board meetings scheduled with public agendas. In addition to this, the board also met in private 9 occasions throughout the year.

** Amended governance arrangements were established during Covid-19 and in the period April 2021-July 2021 the Workforce, Equality and Inclusion Committee was temporarily suspended and its critical and urgent business distributed to the Finance and Performance Committee and the Quality and Safety Committee.

Directors' statement in respect of the annual accounts

The directors have been responsible for preparing this annual report and the associated financial accounts and each director knows of no information which would be relevant to the auditors for the purposes of their audit report, and of which the auditors are not aware, and has taken all the steps that he or she ought to have taken to make himself or herself aware of any such information and to establish that the auditors are aware of it.

Statement of directors' responsibilities

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

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

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

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

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

By order of the board

Chris Bown
Chief Executive
June 2021

Jonathan Reid
Finance Director
June 2021

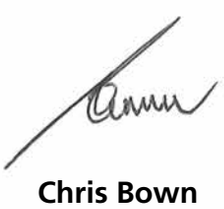
Statement of the Chief Executive's responsibilities

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

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

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.



Chris Bown
Chief Executive
June 2021

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 trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Trust Accountable 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 London North West University Healthcare NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in London North West University Healthcare NHS 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

Leadership arrangements for risk management are documented in the risk management strategy and policy, and are further supported by the Trust's strategic goals, objectives and individual job descriptions. As Chief Executive, I have overall responsibility, and delegate to named executive directors and clinical and divisional directors. Risk leadership is further embedded through ownership at a local level by managers taking responsibility for risk identification, assessment and analysis. In addition, the risk management system provides a holistic approach to risk, and the terms of reference of relevant groups and committees clearly outline their responsibilities.

The organisation provides mandatory and statutory training and all staff are required to attend. Mandatory and statutory training compliance levels are reported at board committees and to the board. Risk management training is locally driven with ongoing support provided by the corporate governance team as required by individuals. In addition to this, specific training appropriate to individuals' responsibilities as detailed within the risk management strategy and policy is provided to enable them to carry out their responsibilities in relation to risk management.

The Trust seeks to learn from good practice including through its incident reporting and investigation procedures, complaints and proactive risk assessment. This information is shared across the organisation via a monthly bulletin, targeted training, themed learning, revision to

guidance and policy, weekly emails from the communications team, the intranet, newsletters, divisional governance meetings, Trust and directorate reports and team briefings.

From the beginning of the financial year, the Trust was already facing the impact of the Covid-19 pandemic. The NHS moved into a Level 4 incident on 3 March 2020. As it became clear that the pandemic was becoming more significant in scale and effect, the executive team had put in place a substantially strengthened leadership, management, and operational response to build capacity to handle the multiple risks posed by such an unprecedented situation. For example, there was a need to increase the critical care capacity available for our local community and with that, related challenges around oxygen infrastructure, availability of PPE, and the hugely increased demands on staff. An executive "Gold Command" was formed to provide twice daily hands-on leadership and key decision-making to the organisation, with wide participation from multi-disciplinary leaders. This constituted a robust test of the organisation's business continuity preparedness and capacity to handle the inherent risks. Related to this, the organisation quickly moved to identify, articulate and manage a subset of risks specifically arising from the pandemic and its many potential impacts on the staff, patients, clinical activity and also to the organisation itself. Throughout the year these risks were regularly reviewed at the Gold Command, the executive and by committees of the board, as well as the board itself. The board received a "lessons learned" report in July 2020, at the end of the first wave of Covid-19, through which the Trust identified a range of learning and actions with which to prime and prepare for future surges.

The Gold Command became an integral part of daily management of the organisation beyond the first wave of Covid-19, remaining in place into the rising second wave in and throughout the eventual second peak. Alongside this, the recovery delivery group (RDG) had been formed in May, to provide senior multi-disciplinary clinical, operational support and oversight of the organisation's efforts to maintain the wider spectrum of clinical services alongside the continued pandemic activity. Following development of the Covid-19 risk register, a similar subset of risks was developed to capture risks specifically related to the recovery effort. This was regularly reviewed by the RDG and at other board committees and executive groups. The Gold Command and RDG continued to operate throughout the second wave, to guide and support of Covid-19 patients while maintaining as far as possible the range of care which is integral to the wellbeing of our community and patients. As a learning organisation, we have used this opportunity to further develop our plans, alongside our partners in the north west London sector group of providers, such that we can continue to provide care to the highest standards during these unprecedented times.

Throughout the pandemic, the NHS and its partner organisations have released a large amount of new guidance for healthcare staff and the public, as scientists have learned more about Covid-19. This predominantly related to infection prevention and control, and includes examples such as the introduction of masks at all healthcare facilities. The Trust prioritised circulating the latest guidance in a timely and accessible manner, varying channels appropriately according to the topic and audience:

- For all staff: through the Trust intranet, including updating the intranet for the second wave to ensure that guidance could be accessed by staff working remotely
- For all staff: through regular Covid-19 bulletins from the Chief Medical Officer, issued daily at the peak of each wave
- For managers: through the monthly Team Brief and dedicated emails
- For individual specialties: through appropriate cascade.

Wherever possible, guidance is placed on the Trust intranet and signposted from other sources, ensuring that it can be updated swiftly and with minimal version control concerns.

I am accountable to the Chair of the Trust for my performance and to NHS Improvement (NHSI) for the performance of the Trust. I lead the Trust's executive team in developing positive relationships with stakeholder partners, including clinical commissioning groups, local authorities, and other partner organisations across Brent, Ealing and Harrow and other north west London boroughs in order to provide high quality patient care within the resources available.

As Chief Executive, I have overall responsibility for ensuring effective risk management arrangements are in place. I have used the Board Assurance Framework (BAF), risk register, internal audit, the Local Counter Fraud Service (LCFS), and external audit to ensure proper arrangements are in place for the discharge of statutory functions, as well as to detect and act upon any irregularities found and to ensure that the Trust is able to discharge its statutory functions in a legally compliant manner.

As Chief Executive, all executive directors report to me and the executive team is held to account for its performance through regular meetings with me and individual annual performance reviews. Some key aspects of executive portfolios have specific non-executive oversight as indicated in the table below.

Accountable roles

Role	Executive lead	Non-executive director lead
Counter Fraud	Chief Financial Officer	Andrew Van Doorn
Doctors in Difficulty	Chief Medical Officer	Professor David Taube
Emergency Planning	Chief Operating Officer	Dr Vineta Bhalla
End of Life	Chief Medical Officer	Professor David Taube
Equality and Diversity	Chief Nurse: Patients Director of HR & OD: Staff	Janet Rubin
Guardian of Safe Working	Chief Medical Officer	Dr Vineta Bhalla
Health and Safety	Director of Estates and Facilities	David Moss
Learning from avoidable/ preventable deaths	Chief Medical Officer	Professor David Taube
Maternity Services	Chief Nurse	Dr Vineta Bhalla
Patient safety	Chief Medical Officer and Chief Nurse	Professor David Taube
Safeguarding adults	Chief Nurse	Trust Chairman
Safeguarding children	Chief Nurse	Trust Chairman
Whistleblowing/ Freedom to Speak Up	Director of HR & OD	Janet Rubin

The risk and control framework

The risk management strategy and policy is designed and applied using a recognised approach to the identification, analysis, evaluation, treatment, monitoring and communication risks associated with any activity, function or process, in a way that will enable the Trust to minimise harm and losses and maximise opportunities and benefits. Risk management encompasses the culture, processes and structures in place, and actions needed, to reduce the risk of harm to our patients, staff, carers, contractors, visitors, employees and the organisation itself. Risk management is integral to the purpose, values and strategic goals of the Trust. Risks to the organisation's strategic objectives are identified, managed and monitored through the BAF which is regularly reviewed at executive level, board and committees.

The risk management strategy and policy is accessible to all employees in the Trust via the Trust intranet along with associated risk management tools. The quality and patient safety team delivers risk management training and support as part of the wider incident reporting and investigation training using the Datix incident reporting platform. The quality and patient safety team works alongside the legal and patient experience teams, to triangulate information. This

enables detection of potential gaps in control or assurance and provides further opportunity to identify risks.

The risk management system is maintained in accordance with the principles and framework of the NHS Resolution Safety and Learning Service, the Care Quality Commission's Fundamental Standards and is aligned with the Care Quality Commission's Key Lines of Enquiry (KLOE), including the Well-Led Framework. During the year the Trust actively developed its risk appetite statement which the board has approved.

The risk and compliance group (R&C) is an executive group reporting to the Trust executive management group (TEG) and provides executive leadership and scrutiny of the risk register and has responsibility for oversight, reporting and providing assurance on all aspects of risk management and the effectiveness of the risk management strategy and policy, with the following aims:

- Risks and hazards to patients, staff, carers, contractors and visitors are reduced to as low a level as possible creating a safety culture throughout the Trust.
- To embed a risk management culture at all levels across the Trust, which contributes to the aims of a learning organisation.
- The provision of risk awareness and management-training, for all levels of management within the Trust, and through this to increase risk awareness to all staff.
- Maintain compliance with statutory and mandatory requirements and with professional regulations.
- Ensure effective management of risks through the application of structured processes, for example, risk assessment, risk mitigation, shared learning.
- To manage risk in partnership with patients, staff, carers, contractors, visitors and other organisations.
- Work in partnership with the NHS Resolution's (NHSR) Safety and Learning Service and ensure that Trust policy is based upon the NHSR best practice guidance.
- Ensure a clear escalation pathway dependant on scoring of a risk, which dictates the level of scrutiny a risk is subjected to, from service level governance meetings, via executives, to the Trust board.

The R&C group receives a detailed report bi-monthly report on risks rated at 15 or above and the risk report is also seen by the board's quality and safety committee, and also the board. Each of the Trust's clinical and corporate divisions report into the R&C group. Discussions, challenges and actions are recorded in the minutes and on an action log. The divisions monitor and scrutinise all risks at their divisional clinical governance meetings. Speciality leads present at divisional meetings and there is discussion around divisional risks and actions to mitigate these, as well as identification and agreement of new risks. Minutes record actions and discussion relating to risk, at the relevant meeting.

Risks are identified from both internal and external sources which may include but are not limited to:

- A compliance assessment e.g. local network or clinical reference group, CQC, NICE, NCEPOD, existing and new national targets, feedback by the NHS Resolution Safer Learning Service
- Analysis of aggregated data across complaints, claims and incidents identifying trends
- Sector-wide intelligence and activity
- A complaint
- A claim, clinical or non-clinical
- An external assessment, enquiry, national audit findings, CAS or National Patient Safety Alert or report
- An internal risk assessment, internal audit finding or report
- An adverse event, including a near miss
- Clinical audit results
- Learning derived from review of patient deaths
- Local and Divisional risk registers
- Ongoing performance monitoring and through appraisals.
- Proactive health and safety workstreams e.g. inspections and audit
- An inquest conclusion.

Covid-19 presented a number of emerging risks to the organisation which required a response at executive, management, and operational levels. At an early stage the organisation assessed the key operational and other risks around infrastructure and staffing e.g. oxygen supply, staffing levels, protection for staff, ITU capacity to enable the Trust to maintain care for the most unwell patients, the requirement to maintain urgent planned and unplanned care pathways e.g. cancer, using new partnerships to support the creation of new approaches to such pathways.

The board undertook an urgent external review of governance and assurance arrangements, which was reported to the board in April 2020, to ensure that the adjustments needed in response to the pandemic were implemented. Consistent with the guidance issued by NHS England and NHS Improvement on reducing the burden and releasing capacity, non-essential meetings were paused. This allowed maximum resource to be focused on the demands of the pandemic and risks as they emerged as well as develop risk mitigations such as support for staff, mutual aid to maintain equipment supplies, and new technology to support care and business continuity. The Trust identified risks relating specifically to the rising pandemic, and its implications for patient and staff safety, and service delivery. In addition, divisions were encouraged to review existing risks to assess the impact, if any, of the emerging pandemic and reflect these considerations within the risks where appropriate. The full subset of pandemic-related risk was regularly reviewed via Gold Command, RDG and the R&C group's regular review.

The board has overall responsibility for ensuring systems and controls are in place, sufficient to mitigate any significant risks which may jeopardise achievement of the Trust goals. Assurance may be gained from a wide range of sources, but wherever possible it should be systematic, supported by evidence, independently verified and incorporated within a robust governance process. The board achieves this, primarily through the work of its committees, through use of audit and other independent inspection, and by systematic collection and scrutiny of performance data to evidence the achievement of the goals.

The Trust board has reviewed its Board Assurance Framework (BAF) and revised and updated the strategic risks which link with the Trust goals. An executive director is assigned to each strategic risk The BAF is reviewed periodically by board and audit committee.

The table below shows the link between the strategic risks and the strategic goals deemed by the board to have the potential to undermine or prevent delivery of the aligned strategic goal. The table lists the executive risk owner for each risk.

Risk Title	Risk Owner
Goal 1: We want to be recognised for excellent care quality and patient experience	
Failure to meet pre-Covid-19 levels of elective activity	Chief Operating Officer
Patient safety associated with rising emergency admissions, impact on flow & unprecedented pressure across healthcare system	Chief Operating Officer
Risk associated with the lack of a robust patient experience and engagement agenda	Chief Nurse
Risk arising from challenges ensuring consistently good outcomes to a complex high risk maternal population	Chief Nurse
Impact of Covid-19 pandemic on services	Chief Operating Officer
Goal 2: We want to engage with our staff to transform services to be excellent consistently	
Risk to staff well-being and associated staff engagement	Director of HR&OD
National issues associated with availability of trained staff	Director of HR&OD
Goal 3: We want to be a sustainable organisation that plays a positive and externally-facing role and is the first choice for patients, staff and partners.	
Risk associated with loss of specialist services	Director of Strategy
Risk associated with development & delivery of sustainable financial & capital plan	Chief Financial Officer
NWL ICS leading strategic decision making impacting Trust service provision and configuration	Director of Strategy

The Board of Directors, collectively and individually, ensures that systems of internal control and management are in place. The board receives assurance through scrutiny of the BAF and the receipt of reports to the board from board committees. These committees receive reports from other committees and executive-led groups that closely monitor relevant areas of risk; this includes the risk report, detailing all operational Trust risks rated 15 or above (i.e.high risk), giving an overview of escalations and reductions in risk scoring since the previous report and risks that are overdue for review or that have passed the expected date for completion.

The Trust board's governance reporting is managed through its assurance and accountability committee structure. In July 2020 the Trust's executive governance structure was updated by the establishment of the TEG in order to improve our clinical engagement and enable our divisional clinical directors to be key decision making members of the Trust as well as being central to improving organisational culture through high levels of staff engagement.

Care Quality Commission

Regulatory oversight by the Care Quality Commission (CQC) during 2020-21 has particularly focused on infection prevention and control, emergency services and maternity services. The Trust proactively participated in implementing the CQC's Infection Prevention and Control Board Assurance Framework and in November 2020, the Trust's emergency department participated in the 'Patient First' initiative whereby the CQC were able to gain assurance that the department had a suitable and appropriate winter plan in place with escalation processes and innovative measures to manage the anticipated winter pressures in the context of the additional challenges of Covid-19.

The actions to address the recommendations from the CQC's well-led review undertaken in August 2019 were incorporated into an action plan that continues to be regularly reviewed and updated and reported periodically to a board committee.

Maternity services

Following publication of the Ockenden report, the Trust's Maternity service audited itself against the report's recommendations. The Trust also commissioned and received an external review of perinatal deaths and also received feedback from the Healthcare Services Investigation Branch based on reports into individual maternity cases. The Trust developed a maternity improvement plan overseen by a maternity improvement group which has defined and will implement a comprehensive plan to target key themes identified as areas in need of strengthening and improvement. Assurance on progress is provided to the quality and safety committee, and Trust board.

Undertakings given to NHSI

The Trust has given formal undertakings to NHSI (December 2018) to address its failure to comply with the conditions of the provider licence FT4(4)(a) and (b); and FT4(5)(a), (b),(c), (d) and (f), covering in particular finance, operational performance and governance, and quality. In FY 2019-20 NHSI noted that a significant number of the undertakings appeared to no longer require mandating and agreed to work with the Trust to agree their appropriate revisions.

Progress against the undertakings are monitored through the performance/ system oversight meeting between NHS London region (NHS England and NHS Improvement) and the Trust executive although these meetings have been interrupted during the year as a result of Covid-19. Nonetheless the oversight meetings have noted the collaborative approach to working in north west London. The Trust remains subject to regulatory action until NHSI is assured that the Trust has complied with the requirements of the undertakings.

The NHS has a key role in responding to large scale emergencies and major incidents. The Trust's plans are compliant with the requirements of NHS England Emergency Planning Resilience and Response Framework 2015 and associated guidance.

Roles of committees

The formal committees of the board are as follows:

- Appointments and remuneration committee
- Audit committee
- Charitable funds management committee
- Finance and performance committee
- Quality and safety committee
- Workforce, equality and inclusion committee

In response to Covid-19, the board and its committees approved and adopted an effective and efficient approach to governance and assurance. All meetings were streamlined to ensure only essential business was discussed, and all meetings were held virtually. All committee chairs were invited to attend all committee meetings.

The workforce, equality and inclusion committee was temporarily suspended (from April 2020-July 2020) and its critical and urgent business distributed to the finance and performance committee (performance related business) and the quality and safety committee (nursing workforce, guardian of safe working, freedom to speak up guardian and staff wellbeing).

Board committees are chaired by nominated non-executive directors. The executive groups which report to the TEG are chaired by nominated executive directors and report upwards to provide assurance to the board committees. All board committees have a programme of work for the year.

The range of mechanisms available to provide assurance that systems are robust and effective include utilising internal and external audit reports, peer review assessments, management reporting, clinical audit, and the BAF.

Appointments and remuneration Committee

This committee oversees the process of appointment, remuneration, suspension, termination and succession planning for all executive directors and other very senior managers that report directly to the Chief Executive. The committee also considers the recommendations for awards under the clinical excellence awards scheme to the advisory committee on clinical excellence awards.

Audit committee

The audit committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the clinical and non-clinical activities that support the achievement of the organisation's objectives. The committee primarily utilises the work of the internal and external auditors and other assurance functions. It seeks reports and assurances from directors and managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control together with indicators of their effectiveness.

The committee has monitored the BAF (including the practice of deep dives into areas of focus) and the risk register.

The committee has effective relationships with other committees as part of its integrated approach. The committee receives regular reports on the work and findings of the internal and external auditors (including considering the appointment and performance of the external auditors making recommendations to the board when appropriate) and local Counter Fraud Service.

Charitable funds management committee

The Trust board acts as trustee to the London North West Healthcare Charitable Fund and has established a charitable funds management committee with delegated authority to manage the charitable funds on its behalf. The committee provides oversight, scrutiny and challenge to all aspects of the activities of the fund associated with the Trust and encourages cooperation and optimisation of the use and application of resources wherever practical. The committee ensures that charitable funds are managed and invested in accordance with the Charities Act and with the Trust's standing financial instructions.

Finance and performance committee

This committee is responsible for providing assurance to the board of the Trust's financial and operational performance, and to oversee the Trust's performance management and accountability arrangements to support delivery of Trust objectives.

It evaluates the development of the Trust's financial and performance strategy to deliver the service objectives as set out in the annual plan and to ensure delivery of financial and performance targets through a comprehensive financial and performance management control framework and with focus during Covid-19 on assurance on the Trust's financial grip and control.

The committee provides assurance to the Trust board that the financial strategy, financial policies and efficiency plans effectively support the organisational strategy and undertakes, on behalf of the Trust board, objective scrutiny of the Trust's annual financial plans, long-term financial strategy, investment policy, estates strategy and major investment decisions, including those relating to the Trust's estate and information technology. The committee also gives consideration to the workforce implications of its financial plans. The committee scrutinises the development of the Trust's contractual regime including contract portfolios and contracting processes.

Quality and safety committee

The primary purpose of the committee is to support the board in the objective scrutiny and challenge of all aspects of clinical safety, quality, patient experience, clinical effectiveness and outcomes, health and safety, security and fire management, and information governance.

The committee works closely with the finance and performance committee to ensure there is no detrimental impact on the quality and safety of services as a result of financial and operational performance-related decisions and to ensure that related risks are regularly reviewed, updated and escalated to the audit committee as appropriate to the risk rating. The role of the committee is to provide assurance to the audit committee concerning the effective oversight and scrutiny of Trust risks in line with the risk management strategy and policy.

Workforce, equality and inclusion committee

The committee ensures the Trust has a robust and strategic approach to the recruitment and retention of staff, organisational development and learning and development, and oversees the equality and diversity and health and wellbeing agendas on behalf of the Trust board. The committee will also seek assurance on the management of the relationship with staff side through the joint negotiation and consultation committee, and the people and organisational development group.

The committee oversees the transformation programme work stream where it relates to workforce matters.

Board and board committee effectiveness reviews

Each board committee reviews its terms of reference annually and makes a summary report to the board of the range of its work through the year. This process facilitates committee chairs in reviewing the effectiveness of their committee and identifying areas for improvement.

Trust executive management group

TEG was established in July 2020 to facilitate joint decision making with divisional clinical directors and to strengthen clinical leadership of the Trust. It meets every two weeks and its purpose is to ensure that all aspects of the Trust's day to day business and operational performance, workforce and patient quality, safety and experience, receive relevant executive scrutiny and action and that there is good governance by clear accountability to the Board of Directors through the accountable officer.

It also seeks to:

- ensure that there is appropriate integration, connection and liaison between individual clinical services, between clinical and corporate functions and between strategic and operational matters within the Trust and between partner organisations.
- assure the board that, where there are risks and issues that may jeopardise the Trust's ability to deliver its objectives, these are being managed in a controlled way through the TEG.

Workforce strategies

The National People Plan was published in July 2020 and the Trust's action plan in response was reviewed at the workforce, equality and inclusion committee. The Trust commenced developing a new five-year people strategy aligned to the national, north west London and integrated care system priorities in December. In addition, the development of a new health and wellbeing strategy and equality, diversity and inclusion strategy began in recognition of the pivotal role these will play in ensuring our staff are mentally and physically well, with an inclusive culture that values all staff and empowers them to become the best they can be. Staff have been, and will continue to be, involved in developing this and they will be published early in quarter 1 of 2021/22.

The diversity and inclusion agenda has been a focus of work in 2020/21 as the inequalities experienced by our staff and our communities were highlighted by the Covid-19 pandemic. In response to this we initiated monthly listening events with Black, Asian and Minority Ethnic colleagues, appointed three new ethnic minority associate non-executive directors, introduced new Black Asian and Minority Ethnic leadership and development programmes and gained board approval to develop a new independent staff insight group which is designed to provide staff representatives from all the protected characteristics the opportunity to contribute to the Trust's agenda. The group will be co-chaired by the Trust Chair and an elected staff side representative. In addition, measures have also been put in place to ensure recruitment and disciplinary processes do not have an adversely disproportionate impact on ethnic minority colleagues.

Workforce information is presented to the Trust board and relevant sub-committees regularly to ensure that the board has oversight of the key issues. The report includes data on the key HR metrics such as vacancy levels, sickness, turnover, and compliance with appraisals and core skills training. Feedback on the reports is used to improve the data provided.

Nursing and midwifery staffing levels are monitored with information taken from health roster and reported monthly to NHS England. The nursing and midwifery workforce bimonthly report details actions taken to explain unwarranted variation in staffing levels.

The Trust's guardian of safe working hours is designed to reassure junior doctors and employers that rotas and working conditions are safe for doctors and patients. The guardian oversees the work schedule review process and will seek to address concerns relating to hours worked and access to training opportunities. They provide regular reports to the workforce, equality and inclusion committee and to the Trust board.

The workforce strategies and staffing systems are in line with the 'Developing Workforce Safeguards' recommendations.

Freedom to speak up

The role of the freedom to speak up guardians is to protect patient safety and the quality of care; improve the experience of our staff; and promote learning and improvement. The aim is to foster a positive culture of speaking up and address any barriers that prevent this.

The guardians provide regular quarterly reports to the Trust board which summarise their work to date and provides details of the number of contacts made and concerns raised in the reporting period. They continue to embed the role into the organisation to support healthcare workers and provide help and advice.

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

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.

Pension scheme

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

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

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust board continues to focus on delivering and strengthening value for money – improving the use of resources by the Trust – with executive responsibility with the Chief Financial Officer.

The board receives assurance on the use of resources through the finance and performance committee. Key measures which are used by the Trust include delivery of financial performance against plan and understanding of the underlying deficit, and work to reduce the excess costs included in the cost base for the Trust, although the committee looks at all aspects of financial performance.

During the year, the Trust refreshed the analysis of the drivers of the deficit, improving its understanding of the key areas of excess cost – and supporting the development and direction of the transformation programme. At the same time, the Trust has strengthened the financial management and costing arrangements, to ensure improved use of resources in 2020/21 and in future years. The Trust has identified opportunities to reduce costs of circa £50m, and has a programme of work in train to reduce these over a two to three year timescale, although further work is needed to implement these plans. The future financial framework for the NHS post-Covid-19 is still undetermined, but irrespective of the framework, the requirement to improve use of resources through a reduction in costs will remain a priority for the Trust.

Each year, our external auditors undertake both an audit of our financial statements and our arrangements for the use of resources and value for money. This provides the Trust with assurance on the adequacy of the arrangements in place to ensure economy, efficiency and effectiveness in the use of resources. The review of use of resources and value for money covers a wide range of issues, including financial management, financial sustainability, governance and compliance with law and regulations and this has been considered by the Trust audit committee and executive team.

In their most recent review, our external auditors noted progress in strengthening our arrangements for financial management across the Trust – but they also highlighted a continuing risk to financial sustainability, arising both from the Trust's historical financial performance and position, and from the ongoing discussions nationally and regionally on approaches to funding NHS Trusts. Our auditors also noted good progress on developing the internal governance of the Trust as a result of the changes made in 2020/21. However, they also highlighted the findings of our independent review into maternity services, and the more recent CQC inspection, and reported that these reports indicated an area of governance which needs continued work. The Trust agreed with the recommendations raised by our external auditors and will publish the Annual Audit Report on its website.

Information governance

Data protection incidents deemed severe enough by their nature or because they involve a large number of subjects are reported to the Information Commissioner's Office (ICO) within 72 hours of discovery. The mechanism for doing this is normally through the Data security and protection toolkit (DSPT). During 2020/21, there were three incidents reported via the DSPT, one of which was reported to the ICO. The ICO have not taken any further action on this case. In the 2020/21 financial year, we received communication from the ICO regarding seven complaints raised by data subjects of the Trust. Three cases were raised following Trust delays in response to subject access or freedom of information requests with the other four relating to the handling of an individual's data. The Trust received a Decision Notice regarding a request for information from an employee. We have improved this process to minimise the risk of a future incident.

Data quality and governance

The Trust primarily manages data quality risk and issues through a dedicated data quality management group (DQMG) meeting comprising of digital services team alongside corporate and operational managers chaired by the deputy chief information officer for business intelligence and application management. The DQMG reports through to the information governance and cyber security group chaired by the deputy chief executive and senior information risk owner. The Trust improves data quality through a number of regular programmes including:

- Clinical coding audit of its clinical coded data in line with data security standards
- Working closely with clinicians to ensure the accuracy of coded data through regular and ad hoc joint reviews

- Through an education programme
- Review of compliance with the Trust data quality policy through cleansing, audit and feedback to clinical and non-clinical teams
- Data quality assurance programme ensuring key elements of information reporting including data assurance, presentation and validation are delivered within national guidance and standards
- Operational data quality reporting which supports the validation of 18 week referral to treatment time (RTT) and cancer pathways through audit, review and education of both clinical and non-clinical teams. Operational data quality is managed through various channels including the planned care board.

Review of effectiveness

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

The board responded to the onset of Covid-19 by reconsidering the essential governance requirements and to facilitate focus by executive management on the operational challenges whilst ensuring effective governance and assurance. The board identified the key principles and appropriately amended committee structures and priorities. This has been kept under active review throughout the year and in September 2020 a normal rhythm was resumed but was adjusted again in December to manage the second Covid-19 wave with a return to normal rhythm in March 2021. Board communications with the executive has been substantially increased throughout, with weekly phone / video calls with the CEO and other executive directors in order to keep board members fully sighted on the operational situation and actions put in place by the North West London Health and Care Partnership acting as a shadow integrated care system to manage system wide pressures and risks.

To manage surge of the Covid-19 pandemic, the Trust implemented a substantially enhanced business continuity plan in the form of the Gold Command Office to oversee the operational situation, to meet the demands of patient flow and to react to the requirements of the north west London sector and national guidance. The office was led by a senior management team rota operating seven days a week. The Gold Command Office reported to the Trust's weekly RDG consisting of executive team and divisional membership. This process supported the needs of the Trust while wider governance structures were temporarily reduced in frequency to increase oversight on the pandemic. The office implemented the following daily rhythm to maintain control, manage risk, coordinate actions and facilitate communication:

- Covid-19 recovery Gold Command monitoring meeting to oversee site flow
- Trust critical care surveillance meetings
- Trust expanded daily site meetings
- Trust evening on call team decision making feedback process
- Trust implementation of additional daily executive management team oversight during the peak of the surges
- Sector wide acute surge meetings
- Sector wide Covid-19 Gold meetings
- Sector wide chief executive officer meetings.

The board has received summaries of the work of its committees during the year and a year-end summary. It receives the BAF, monitors actions to address gaps in control and gaps in assurance and has also developed the Trust's risk appetite statement to inform the risk management strategy and policy.

The audit committee receives and reviews both internal and external audit reports and progress against actions, as well as updates from the local counter fraud specialist and the Trust executive team.

The Head of Internal Audit has provided me with an opinion for the 2020/21 financial year covering the areas reviewed during the year. The basis for forming their opinion is as follows:

- An assessment of the design and operation of the underpinning assurance framework and supporting processes;
- An assessment of the range of individual opinions arising from risk based audit assignments contained within internal audit risk based plans that have been reported throughout the year;
- This assessment has taken account of the relative materiality of these areas and managements progress in respect of addressing control weaknesses; and
- Any reliance that is being placed upon third party assurances.

The Head of Internal Audit opinion offers moderate assurance that there is a sound system of internal control, designed to meet the Trust's objectives and that controls are being applied consistently. In forming their view they took into account that:

- The Trust, in its financial results, is reporting an adjusted surplus of approximately £1.37m against a plan deficit of £7.4m. This results in a favourable variance against the plan of approx. £8.8m
- In the current year all audits provided substantial or moderate assurance in the design of controls
- In the current year the majority of audits provided moderate assurance in the operational effectiveness of controls

- There were a total of 33 recommendations (high: 2, medium: 22 and low: 9) raised in the current year, however, two fewer audits were undertaken this year due to the impact of Covid-19 on the Trust.
- The Trust specifically requested audits into known areas of concern and new areas of risk e.g. procurement and risk maturity: Covid-19 and recovery.
- The Trust have been slow in implementing some audit recommendations in the year e.g. outpatient bookings although it has been noted that this has been impacted by the current environment.

Moderate assurance is the audit firm's second highest assurance rating, which reflects in the main that there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not effective and a small number of exceptions found in testing of the procedures and controls.

The internal audit programme included specific testing and review of key elements of the system of internal control, including risk management. On this basis, I have concluded that the Trust has reasonable and effective risk management, control, and governance processes in place.

Conclusion

In conclusion, as Accountable Officer, my review of the effectiveness of the system of internal control has identified no significant control issues.

Signed

Chris Bown
Chief Executive
June 2021

Remuneration and staff report

Remuneration policy

The purpose of the pay policy is to:

- support the recruitment, retention and motivation of talented and high performing leaders
- secure value for money for the Trust and its stakeholders.

The remuneration package will normally consist of salary and pension contribution. There will be no other element unless specifically approved by the Remuneration Committee. The committee will set and review the level of salary to ensure it is competitive and fair for the role, taking account of:

- information about the market rate for jobs of similar type in NHS trusts of broadly comparable size and challenge
- evidence of recruitment difficulty and retention risk
- assessment of the contribution and track record of the individual.

This salary setting and review will be informed by market data from the NHS (and other sources where relevant), and every third year by independent external advice.

The committee will seek advice and recommendations from the Chief Executive on the salary of directors and other Very Senior Managers (VSMs). The Chief Executive will have no role in setting her/his own salary.

There is no standard provision for performance related pay. However, the committee reserves the right to award bonus payments for exceptional achievement.

The expense payments (taxable) relates to reimbursement of mileage costs at the applicable NHS mileage rate which is in excess of the HMRC rate per mile.

No additional benefits will become receivable by the individuals listed in the event that they retire early.

There will also be regular and annual reviews of performance against plans and agreed objectives. In the case of directors, these will be conducted by the Chief Executive, informed by discussion with the committee. In the case of the Chief Executive, the reviews will be led by the Chair of the Trust, informed by discussion with the committee and other stakeholders. For Very Senior Managers (VSMs), these will be held by the appropriate executive director.

Remuneration Report for Year Ended 31 March 2021 (Audited)

			A	B	C	D	E	F
			Salary	Expense Payments (taxable)*	Performance pay and bonuses	Long term performance pay and bonuses	All pension - related benefits	TOTAL
			(bands of £5000)	(nearest £100)	(bands of £5000)	(bands of £5000)	(bands of £2500)	(bands of £5000)
			£000	£	£000	£000	£000	£000
Executive Directors								
Bown	Chris	Chief Executive (from 30/03/20)	230-235	1,000	10-15			240-245
Reid	Jonathan	Chief Financial Officer (from 01/04/20)	180-185				87.5-90	270-275
Pullinger	Ellis	Interim Chief Operating Officer (from 01/04/20)	160-165		5-10		17.5-20	180-185
Knight MBE	Lisa	Chief Nurse	160-165		5-10		125-127.5	290-295
Kuper	Martin	Chief Medical Officer and Deputy Chief Executive for Transformation	205-210		25-30			235-240
Gore	Claire	Director of Human Resources and Organisational Development	160-165		10-15		37.5-40	210-215
Crawford	Simon	Director of Strategy and Deputy Chief Executive Officer	180-185					180-185
Searle	David	Director of Corporate Affairs	125-130					125-130
Trumper	Mark	Director of Estates and Facilities	150-155		15-20			165-170
Non-Executive Directors								
Morse	Lord Amyas	Chair	30-35					30-35
Rubin	Janet	Vice Chair	10-15					10-15
Van Doorn	Andrew	Non-Executive Director	10-15					10-15
Bhalla	Dr Vineta	Non-Executive Director	10-15					10-15
Moss	David	Non-Executive Director	10-15					10-15
Manuel	Neville	Non-Executive Director	10-15					10-15
Johnson	Professor Desmond	Non-Executive Director	5-10					5-10
Taube	Professor David	Non-Executive Director	10-15					10-15
As'ad	Huda	Associate Non-Executive Director (from 01/02/21)	0-5					0-5
Peter	Kingsley	Associate Non-Executive Director (from 01/02/21)	0-5					0-5
Mohinuddin	Dr Syed	Associate Non-Executive Director (from 01/02/21)	0-5					0-5

The figures for 2020/21 were obtained from the NHS Pensions Agency before the 2020/21 1.03% pay award for staff had been implemented and therefore the pension benefits disclosed above do not include the effect of this pay award.

Remuneration Report for Year Ended 31 March 2020 (Audited)

			A	B	C	D	E	F
			Salary	Expense Payments (taxable)*	Performance pay and bonuses	Long term performance pay and bonuses	All pension - related benefits	TOTAL
			(bands of £5000)	(nearest £100)	(bands of £5000)	(bands of £5000)	(bands of £2500)	(bands of £5000)
			£000	£	£000	£000	£000	£000
Executive Directors								
Docherty	Dame Jacqueline	Chief Executive	235-240	0	10-15	0	0	250-255
Khan	Arshiya	Chief Operating Officer	160-165	0	30-35	0	65-67.5	260-265
Beal	Barbara	Chief Nurse (to 28/04/19)	15-20	0	0	0	0	0
Knight MBE	Lisa	Chief Nurse (from 29/04/19)	130-135	0	0	0	Note 1	130-135
Kuper	Dr Martin	Medical Director	190-195	0	20-25	0	Note 2	215-220
Bell	Jonathan	Chief Financial Officer (to 31/08/19)	75-80	0	0	0	0	75-80
Patel	Bimal	Acting Chief Financial Officer (02/09/19 to 29/02/20)	70-75	0	0	0	Note 1	130-135
Gore	Claire	Director of Human Resources	155-160	0	0	0	37.5-40	195-200
Crawford	Simon	Director of Strategy and Interim Chief Financial Officer (02/03/20 to 31/03/20)	185-190	200	0	0	0	185-190
Searle	David	Director of Corporate Affairs (from 02/04/19)	115-120	0	0	0	0	115-120
Trumper	Mark	Director of Estates and Facilities	145-150	0	10-15	0	0	160-165
Non-Executive Directors								
Worthington	Peter	Chairman (to 31.12.2019)	15-20	0	0	0	0	15-20
Morse	Lord Amyas	Chairman (from 01.01.20)	5-10	0	0	0	0	5-10
Rubin	Janet	Non-Executive Director	5-10	0	0	0	0	5-10
Farrell	Andrew	Non-Executive Director (to 31.07.19)	0-5	0	0	0	0	0-5
Van Doorn	Andrew	Non-Executive Director	5-10	0	0	0	0	5-10
Bhalla	Dr Vineta	Non-Executive Director	5-10	0	0	0	0	5-10
Moss	David	Non-Executive Director (from 01.08.19)	5-10	0	0	0	0	5-10
Manuel	Neville	Non-Executive Director (from 01.06.19)	5-10	0	0	0	0	5-10
Johnson	Professor Desmond	Non-Executive Director	0-5	0	0	0	0	0-5
Taube	Professor David	Non-Executive Director (from 01/11/19)	0-5	0	0	0	0	0-5

Note 1: Lisa Knight and Bimal Patel were not executive directors in 2018/19 and so the real increase in CETV which forms part of the all pension related benefits in column E above is not available for 31/03/19.

Note 2: Dr Martin Kuper had opted out of the NHS Pension scheme during 2018/19 and re-joined the scheme during 2019/20 and therefore the real increase in CETV during the year is not available.

Pensions disclosure

Pension report for year ended 31 March 2021 (Audited)

			Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 at 31st March 2021	Lump sum at age 60 related to accrued pension at 31st March 2021	Cash Equivalent Transfer Value at 31st March 2021	Cash Equivalent Transfer Value a t 31st March 2020	Real Increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
			(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Executive directors										
Bown	Chris	Chief Executive (from 30/03/20)	0	0	0	0	0	0	0	0
Reid	Jonathan	Chief Financial Officer (from 01/04/20)	5-7.5	5-7.5	30-35	45-50	480	384	65	0
Pullinger	Ellis	Interim Chief Operating Officer (from 01/04/20)	0-2.5	0	35-40	60-65	602	560	11	0
Knight MBE	Lisa	Chief Nurse	5-7.5	10-12.5	65-70	150-155	1,291	1,125	126	0
Kuper	Martin	Chief Medical Officer and Deputy Chief Executive for Transformation	0	0	0	0	0	1,280	0	0
Gore	Claire	Director of Human Resources and Organisational Development	2.5-5	0	10-15	0	209	160	24	0
Crawford	Simon	Director of Strategy and Deputy Chief Executive Officer	0	0	0	0	0	0	0	0
Searle	David	Director of Corporate Affairs	0	0	0	0	0	0	0	0
Trumper	Mark	Director of Estates and Facilities	0	0	0	0	0	0	0	0

The figures for 2020/21 were obtained from the NHS Pensions Agency before the 2020/21 1.03% pay award for staff had been implemented and therefore the pension benefits disclosed above do not include the effect of this pay award.

As non-executive members do not receive pensionable remuneration, there is no disclosure in respect of pensions.

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). The Trust considers 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.

Pension report for year ended 31 March 2020 (Audited)

			Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 at 31st March 2020	Lump sum at age 60 related to accrued pension at 31st March 2020	Cash Equivalent Transfer Value at 31st March 2020	Cash Equivalent Transfer Value a t 31st March 2019	Real Increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
			(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Executive directors										
Docherty	Dame Jacqueline	Chief Executive	0	0	0	0	0	0	0	0
Khan	Arshiya	Chief Operating Officer	2.5-5	2.5-5	25-30	55-60	506	424	48	0
Knight MBE	Lisa	Chief Nurse	0	0	55-60	140-145	1,125	0	Note 1	0
Kuper	Dr Martin	Medical Director	0	0	65-70	160-165	1,280	0	Note 2	0
Bell	Jonathan	Chief Financial Officer (to 31/08/19)	0	0	0	0	0	0	0	0
Patel	Bimal	Acting Chief Financial Officer (from 01/09/19 until 29/02/20)	0	0	35-40	75-80	538	0	Note 1	0
Gore	Claire	Director of Human Resources	2.5-5	0-2.5	10-15	0-5	160	112	23	0
Crawford	Simon	Director of Strategy and Interim Chief Financial Officer 01/03/20 to 31/03/20	0	0	0	0	0	0	0	0
Searle	David	Director of Corporate Affairs (from 02/04/19)	0	0	0	0	0	0	0	0
Trumper	Mark	Director of Estates and Facilities	0	0	0	0	0	0	0	0

As non-executive members do not receive pensionable remuneration, there is no disclosure in respect of pensions.

No CETV was available for J Docherty last year as she was over 60

Note 1: Lisa Knight and Bimal Patel were not executive directors in 2018/19 and so the real increase in CETV was not available for 31/03/19.

Note 2: Martin Kuper had opted out of the NHS Pension scheme during 2018/19 and re-joined the scheme during 2019/20 and therefore the real increase in CETV during 2019/20 was not available.

NHS Pensions were still assessing the impact of the McCloud judgement in relation to changes to benefits in 2015. The benefits and related CETVs disclosed last year did not allow for any potential future adjustments that may arise from this judgement. During the year, the Government announced that public sector pension schemes will be required to provide indexation on the Guaranteed Minimum Pension element of the pension. NHS Pensions updated the methodology used to calculate CETV values as at 31 March 2020. The impact of the change in methodology is included within the reported real increase in CETV for the year.

Fair pay disclosure

Reporting bodies are required to disclose the relationship between the salary of the most highly-paid individual in their organisation and the median earnings of the organisation's workforce.

The banded remuneration of the highest paid director in London North West University Healthcare in the financial year 2020/21 was £240-245k (£250k-£255k in 2019/20). This was 7.05 (7.08 in 2019/20) times the median salary of the workforce, which was £34,353.95 (£35,756.61 in 2019/20).

In 2020/21 two employees received remuneration in excess of the highest paid director (2019/20: one employee).

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

In 2019/20 one employee received remuneration in excess of the highest paid director.

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

Fair pay disclosure 2020/21 (Audited)

	2020/21
Band of Highest Paid Director Remuneration (£'000)	240-245
Median Total £	£34,353.95
Ratio	7.06
Reporting bodies are required to disclose the relationship between the salary of the most highly-paid individual in their organisation and the median earnings of the organisation's workforce.	
The banded remuneration of the highest paid director in London North West University Healthcare in the financial year 2020-21 was 240-245 (250-255 in 2019/20). This was 7.06 (7.08 in 2019/20) times the median salary of the workforce, which was 30-35 (35-40in 2019/20).	
In 2020-21 two employees received remuneration in excess of the highest paid director.	
Total remuneration includes salary, non consolidated performance related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.	

Fair pay disclosure 2019/20 (Audited)

	2019/20
Band of Highest Paid Director Remuneration (£'000)	250-255
Median Total	£35,756.61
Ratio	7.08
Reporting bodies are required to disclose the relationship between the salary of the most highly-paid individual in their organisation and the median earnings of the organisation's workforce.	
The banded remuneration of the highest paid director in London North West University Healthcare in the financial year 2019-20 was £250k - £255k (£230k - £235k in 2018/19). This was 7.08 (7.40 in 2018/19) times the median salary of the workforce, which was £35,756.61 (£31,656.96 in 2018/19).	
In 2019-20 one employee received remuneration in excess of the highest paid director.	
Total remuneration includes salary, non-consolidated performance related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.	

Staff costs 2020/21

Staff costs 2020/21 (Audited)

	Permanent £000	Other £000	Total £000
Salaries and wages	411,261	-	**411,261**
Social security costs	43,079	-	**43,079**
Apprenticeship levy	1,944	-	**1,944**
Employer's contributions to NHS pension scheme	60,886	-	**60,886**
Pension cost - other	39	-	**39**
Other post employment benefits	-	-	**-**
Other employment benefits	-	-	**-**
Termination benefits	130	-	**130**
Temporary staff	-	8,863	**8,863**
Total gross staff costs	**517,339**	**8,863**	**526,202**
Recoveries in respect of seconded staff	-	(3,942)	**(3,942)**
Total staff costs	**517,339**	**4,921**	**522,260**
Of which Costs capitalised as part of assets	535	288	**823**

Average number of employees (WTE basis) 2020/21 (Audited)

	Permanent Number	Other Number	Total Number
Medical and dental	1,336	163	**1,499**
Ambulance staff	-	-	**-**
Administration and estates	1,559	140	**1,699**
Healthcare assistants and other support staff	1,248	197	**1,445**
Nursing, midwifery and health visiting staff	2,647	377	**3,024**
Nursing, midwifery and health visiting learners	3	-	**3**
Scientific, therapeutic and technical staff	873	41	**914**
Healthcare science staff	18	-	**18**
Social care staff	-	-	**-**
Other	-	-	**-**
Total average numbers	**7,684**	**918**	**8,602**
Of which: Number of employees (WTE) engaged on capital projects	-	-	-

Staff costs 2019/20 (Audited)

	Permanent £000	Other £000	2019/20 Total £000
Salaries and wages	382,520	-	**382,520**
Social security costs	41,734	-	**41,734**
Apprenticeship levy	1,887	-	**1,887**
Employer's contributions to NHS pensions	41,365	-	**41,365**
Pension cost - other	18,195	-	**18,195**
Other post employment benefits	39	-	**39**
Other employment benefits	-	-	**-**
Termination benefits	108	-	**108**
Temporary staff	-	17,864	**17,864**
Total gross staff costs	**485,848**	**17,864**	**503,712**
Recoveries in respect of seconded staff	-	-	**-**
Total staff costs	**485,848**	**17,864**	**503,712**
Of which Costs capitalised as part of assets	**1,480**		**1,480**

Average number of employees 2019/20 (Audited)

	Permanent Number	Other Number	2019/20 Total £000
Medical and dental	1,268	195	1,463
Ambulance staff	-	-	-
Administration and estates	1,536	202	1,738
Healthcare assistants and other support staff	1,288	225	1,513
Nursing, midwifery and health visiting staff	2,567	473	3,040
Nursing, midwifery and health visiting learners	19	-	19
Scientific, therapeutic and technical staff	900	82	982
Healthcare science staff	18	1	19
Social care staff	-		-
Other	-		-
Total average numbers	**7,596**	**1,178**	**8,774**
Of which Number of employees (WTE) engaged on capital projects	**22**	**-**	**22**

Exit packages 2020/21 (Audited)

Exit package cost band (incl. any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	**£**	**Number**	**£**	**Number**	**£**	**Number**	**£**
<£10,000			5	17,999	5	17,999		
£10,000 - £25,000			3	46,715	3	46,715		
£25,001 - 50,000	1	35,207			1	35,207		
£50,001 - £100,000	2	151,295	4	266,107	6	417,402		
£100,000 - £150,000	1	128,900			1	128,900		
Totals	**4**	**315,402**	**12**	**330,821**	**16**	**646,223**	**-**	**-**

Analysis of Other Departures 2020/21 (Audited)

	Agreements Number	Total value of agreements £
Voluntary redundancies incl. early retirement contractual costs		
Mutually agreed resignations (MARS) contractual costs	4	266,107
Early retirements in the efficiency of the service contractual costs		
Contractual payments in lieu of notice	8	64,714
Exit payments following Employment Tribunals or court orders		
Non-contractual payments requiring HMT approval		
Totals	**12**	**330,821**

Exit packages 2019/20 (Audited)

Exit package cost band (incl. any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	**£**	**Number**	**£**	**Number**	**£**	**Number**	**£**
<£10,000	1	8,000	-	-	1	8,000	-	-
£10,000 - £25,000	7	108,000	5	79,000	12	187,000	-	-
£25,001 - 50,000	2	63,000	4	135,000	6	198,000	-	-
£50,001 - £100,000	2	105,000	7	446,000	9	551,000	-	-
Totals	**12**	**284,000**	**16**	**660,000**	**28**	**944,000**	**-**	**-**

Analysis of Other Departures 2019/20 (Audited)

	Agreements Number	Total value of agreements £
Voluntary redundancies incl. early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	16	660,000
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice*	-	-
Exit payments following Employment Tribunals or court orders	-	
Non-contractual payments requiring HMT approval**	-	-
Totals	**16**	**660,000**

Expenditure on consultancy

In 2020/21 the Trust did not incur any expenditure (2019/20 £0.12m) on consultancy costs.

Sickness absence data

Sickness absence data may be accessed via the link below for NHS Digital publications:

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

Staff policies

Staff policies for equal opportunities and sickness absence are in place and have been applied during the financial year:

- for giving full and fair consideration to applications for employment by the Trust made by disabled persons, having regard to their particular aptitudes and abilities
- for continuing the employment of, and for arranging appropriate training for, employees of the Trust who have become disabled persons during the period when they were employed by the Trust
- otherwise for the training, career development and promotion of disabled persons employed by the Trust.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF LONDON NORTH WEST UNIVERSITY HEALTHCARE NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

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

In our opinion, except for the possible effects solely on the comparative information for the year ended 31 March 2020 of the matter described in the *Basis for qualified opinion* section of our report, the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2021.

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the financial statements:

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

Basis for qualified opinion

We were appointed as auditors of the Trust on 1 September 2020, and therefore we were unable to observe the counting of the physical inventory as at 31 March 2020. With respect to inventory having a carrying amount of £11.356m as at 31 March 2020 the audit evidence available to us in support of this balance was limited and we were unable to obtain sufficient appropriate audit evidence regarding the inventory quantities by using other audit procedures. Any adjustments would have a consequential effect on the Trust's net assets as at that date and on its income and expenditure for the years ended 31 March 2020 and 31 March 2021. The audit opinion on the Trust's financial statements for the year ended 31 March 2020 was qualified with regard to a similar limitation.

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 qualified 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 as to whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve control totals delegated to the Trust by NHS Improvement
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reviewing the Trust's accounting policies.

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

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that additional funding was claimed inappropriately through the extra resources made available as a result of Covid-19, revenue is recorded in the wrong period and the risk that Trust management may be in a position to make inappropriate accounting entries.

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

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts combinations and other unusual journal characteristics.
- Agreeing a sample of year end accruals to relevant supporting evidence.
- Assessing significant estimates for bias.
- Identified income and expenditure invoices recognised in the period 1 March 2021 to 31 May 2021, to assess whether the income and expenditure is recognised in the correct accounting period, in accordance with the amounts billed to the corresponding parties by agreeing to the supporting evidence such as invoice description, goods received note and cash transaction per the bank statement.

- Assessed the outcome of the NHS agreement of balances exercise with CCGs and other NHS providers and investigated the cause of the variances identified.

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), from inspection of the Trust's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

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

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

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

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

We are also required to make a referral to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 if we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

As outlined in the section of this report dealing with other legal and regulatory matters, we made a Section 30 referral to the Secretary of State on 13 May 2021.

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

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

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

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

Remuneration and Staff Report

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

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 43, the directors are responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on page 44 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

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

We noted two significant weaknesses in the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. One in relation to financial sustainability and one in relation to governance arrangements associated with the delivery of its maternity services.

Significant Weakness – Financial Sustainability

In 2019/20 the Trust recorded an adjusted financial deficit of £94.4m. Whilst the Trust delivered an adjusted surplus of approximately £1.4m in 2020/21 this was achieved due to the significant change in the way in which NHS providers were funded in response to the Covid-19 pandemic. The Trust continues to operate with a significant underlying deficit and has identified a funding gap of approximately £70m for the second half of 2021/22 which is when it anticipates the current funding regime will change. During the year the Trust has put in place a number of initiatives to robustly monitor budgets and cost savings plans. However the effectiveness of these arrangements has not yet been evidenced due to the current funding regime.

Recommendation

We recommend that the Trust should clearly identify and perform a risk assessment of the recurrent and non-recurrent savings required to reduce the funding gap and achieve the control total. The Trust should continue to regularly monitor its performance to ensure that timely action is taken to address any slippage in year and the Trust remains on track to deliver the system and Trust control totals.

Significant Weakness - Governance

During the year to March 2021 the Trust commissioned an independent report with support from its Integrated Care System partners into its maternity services. This highlighted weaknesses and an improvement and action plan was developed. The Care Quality Commission undertook an unannounced inspection of the Trust's maternity services in April 2021 and identified a number of concerns in addition to those identified in the independent report commissioned by the Trust earlier in the year that require action by the Trust. We acknowledge that the Trust has had concerns about maternity services and has had an improvement plan in place during the year however there is evidence that there continue to be significant weaknesses in governance arrangements which will need to be addressed during the coming year.

Recommendation

We recommend that the Trust should introduce rigorous performance measurement and monitoring procedures to ensure the Maternity Improvement Plan is delivered and the recommendations raised by CQC are fully incorporated and implemented within the agreed timescales.

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

As explained in the statement set out on page 44, the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

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

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

Statutory reporting matters

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

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

We have nothing to report in these respects.

We are also required to report to you if we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

On 13 May 2021 we wrote to the Secretary of State in accordance with Section 30(1)(a) of the Local Audit and Accountability Act 2014 in respect of the Trust's breach of its "breakeven duty" as set out in paragraph 2(1) of Schedule 5 of the National Health Service Act 2006 and taking into account the Department of Health and Social Care's Guidance on Breakeven Duty and Provisions. At the date of our referral the Trust's reported financial position was a cumulative deficit of £325.93m.

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

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

CERTIFICATE OF COMPLETION OF THE AUDIT

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

Fleur Nieboer
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

28 June 2021

London North West University Healthcare NHS Trust

Annual accounts for the year ended 31 March 2021

Statement of Comprehensive Income

	Note	2020/21 £000	2019/20 £000
Operating income from patient care activities	3	705,086	643,997
Other operating income	4	129,946	59,259
Operating expenses	6,8	(822,195)	(800,062)
Operating surplus/(deficit) from continuing operations		**12,837**	**(96,806)**
Finance income	11	-	209
Finance expenses	12	(6,227)	(11,406)
PDC dividends payable		(8,296)	-
Net finance costs		**(14,523)**	**(11,197)**
Other gains / (losses)	13	(376)	498
Surplus / (deficit) for the year from continuing operations		**(2,062)**	**(107,505)**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations		-	-
Deficit for the year		**(2,062)**	**(107,505)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(12,224)	(858)
Revaluations	17	1,283	22,613
Total comprehensive expense for the period		**(13,003)**	**(85,750)**

Adjusted financial performance deficit - explanatory note

The Trust's deficit for 2020/21 was £2,062k.
NHS England and Improvement excludes the impact of certain transactions including impairments, revaluations, capital grants for the purposes of measuring NHS Trusts' financial performance. After adjusting for these transactions, the Trust's adjusted financial performance for the year was a surplus of £1,372k as shown in the table below. The table below does not form part of the Statement of Comprehensive Income and represents a note to the accounts.

Adjusted financial performance (control total basis):		
Surplus / (deficit) for the period	(2,062)	(107,505)
Remove net impairments not scoring to the Departmental expenditure limit	5,902	14,116
Remove I&E impact of capital grants and donations	(1,048)	(40)
Remove 2018/19 post audit PSF reallocation (2019/20 only)		(1,010)
Remove net impact of inventories received from DHSC group bodies for COVID response	(1,420)	
Adjusted financial performance surplus / (deficit) for the year	**1,372**	**(94,439)**

Statement of Financial Position

	Note	31 March 2021 £000	Restated 31 March 2020 £000
Non-current assets			
Intangible assets	14	23,009	15,626
Property, plant and equipment	15	442,918	411,762
Receivables	19.1	1,723	-
Total non-current assets		**467,650**	**427,388**
Current assets			
Inventories	18	11,705	11,356
Receivables	19	57,485	55,427
Cash and cash equivalents	20	8,094	3,727
Total current assets		**77,284**	**70,510**
Current liabilities			
Trade and other payables	21	(86,100)	(84,603)
Borrowings	23	(2,086)	(342,869)
Provisions	25	(2,091)	(1,819)
Other liabilities	22	(9,160)	(7,376)
Liabilities in disposal groups		-	-
Total current liabilities		**(99,437)**	**(436,667)**
Total assets less current liabilities		**445,497**	**61,231**
Non-current liabilities			
Borrowings	23	(47,181)	(49,266)
Provisions	25	(7,201)	(5,329)
Total non-current liabilities		**(54,382)**	**(54,595)**
Total assets employed		**391,115**	**6,636**
Financed by			
Public dividend capital		773,737	376,255
Revaluation reserve		17,228	28,169
Income and expenditure reserve		(399,850)	(397,788)
Total taxpayers' equity		**391,115**	**6,636**

The notes on pages 87 to 126 form part of these accounts.

The financial statements on pages 83 to 126 were approved by the Audit Committee and adopted by the Board on 28th June 2021 and signed on its behalf by:


Name	Chris Bown	Jonathan Reid
Position	Chief Executive Officer	Chief Financial Officer
Date	28th June 2021	28th June 2021

Prior period adjustment 2019/20

The Trust has restated the Statement of Financial Position as at 31st March 2020 to exclude £18.195m from both Receivables and Trade and Other payables balances relating to NHS Pension employer's contributions paid on its behalf by NHS England. The Trust had included a receivable of £18.195m and a payable of £18.195m in the 2019/20 audited accounts on the basis that the DHSC would arrange a circular cash transaction relating to the contributions between NHS England and the Trust at a future date. The DHSC has confirmed there will be no circular cash transaction between NHS England and the Trust in respect of the contributions and therefore £18.195m has been removed from the 2019/20 comparative totals for Receivables and Trade and other payables in these accounts. There is no restatement of the 2019/20 Statement of Comprehensive Income.

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 - brought forward	**376,255**	**28,169**	**(397,788)**	**6,636**
Surplus/(deficit) for the year	-	-	(2,062)	**(2,062)**
Impairments	-	(12,224)	-	**(12,224)**
Revaluations	-	1,283	-	**1,283**
Public dividend capital received*	397,482	-	-	**397,482**
Taxpayers' and others' equity at 31 March 2021	**773,737**	**17,228**	**(399,850)**	**391,115**

*In 2020/21 the Trust received £339.7m PDC capital from the Department of Health and Social Care as part of a national exercise to convert NHS Trusts' interim working capital loans and interim capital loans outstanding as at 31 March 2020 to PDC capital. In addition during the year the Trust received £57.9m PDC capital to finance capital investment in the 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 - brought forward	**370,841**	**6,414**	**(290,283)**	**86,972**
Surplus/(deficit) for the year	-	-	(107,505)	**(107,505)**
Impairments	-	(858)	-	**(858)**
Revaluations	-	22,613	-	**22,613**
Public dividend capital received	5,414	-	-	**5,414**
Taxpayers' and others' equity at 31 March 2020	**376,255**	**28,169**	**(397,788)**	**6,636**

Public dividend capital (PDC)
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

	Note	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Operating surplus / (deficit)		12,837	(96,806)
Non-cash income and expense:			
Depreciation and amortisation	6.1	22,938	20,133
Net impairments	7	5,902	14,116
Income recognised in respect of capital donations	4	(1,866)	(613)
(Increase) / decrease in receivables and other assets		(2,482)	2,634
(Increase) / decrease in inventories		(349)	(1,041)
Increase / (decrease) in payables and other liabilities		10,402	12,312
Increase / (decrease) in provisions		2,225	289
Net cash flows from / (used in) operating activities		**49,607**	**(48,976)**
Cash flows from investing activities			
Interest received		-	209
Purchase of intangible assets		(12,765)	(2,436)
Purchase of PPE and investment property		(71,302)	(22,469)
Sales of PPE and investment property		-	718
Receipt of cash donations to purchase assets		116	613
Net cash flows from / (used in) investing activities		**(83,951)**	**(23,365)**
Cash flows from financing activities			
Public dividend capital received		397,482	5,414
Movement on loans from DHSC		(339,854)	78,117
Capital element of finance lease rental payments		(201)	(184)
Capital element of PFI, LIFT and other service concession payments		(1,526)	(1,917)
Interest on loans		(1,308)	(4,404)
Interest paid on finance lease liabilities		(49)	(64)
Interest paid on PFI, LIFT and other service concession obligations		(6,238)	(6,389)
PDC dividend (paid) / refunded		(9,595)	283
Net cash flows from / (used in) financing activities		**38,711**	**70,857**
Increase / (decrease) in cash and cash equivalents		**4,367**	**(1,485)**
Cash and cash equivalents at 1 April - brought forward		**3,727**	**5,211**
Cash and cash equivalents at 31 March	20.1	**8,094**	**3,727**

Notes to the Accounts

1 Note 1 Accounting policies and other information

1 Note 1.1 Basis of preparation

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

1 Accounting convention

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

2 Note 1.2 Going concern

The Trust earned an adjusted retained surplus for the year ended 31st March 2021 of £1.372m.

The financial statements have been prepared on a going concern basis. In accordance with IAS 1, management has made an assessment of the Trust's ability to continue as a going concern. For the financial year commencing 1 April 2021, the Trust's plan is for a deficit of £15m after meeting a planned savings requirement of £15.2m and after receiving Provider Sustainability Funding (PSF) of £40m. This plan agreed has been with the North West London Sector Integrated Care Sysem and submitted for national approval by NHS England and Improvement (NHSE&I). The Trust will require deficit financing for the financial year 2021/22. NHSE&I has supported the Trust's applications for cash deficit support in 2017/18, 2018/19 and 2019/20 and therefore the Board of Directors anticipates that NHSE&I will continue to support the Trust's application for deficit financing support in 2021/22 subject to the normal application approval process.

In March 2020 the Trust, in common with other acute NHS Trusts, suspended elective patient activity in order to increase clinical capacity for the treatment of patients with the Covid-19 coronavirus. The financial impact of the pandemic on the Trust's financial position continued throughout 2020/21 and the DHSC implemented temporary new funding arrangements for NHS Trusts to address this financial impact. These temporary funding arrangements involved the suspension of the Payment By Results (PbR) tariiff regime and its replacement with a system of block contract payments from local CCGs. These block contract payments from local commissioners were supplemented with top-up income payments from NHSE/I in the first six months of the financial year and then from a local commissioner in the second six months of the financial year.

At the time these financial statements were prepared the DHSC had confirmed that the temporary funding arrangements - the block contract payments from local and the top-up payments - would continue until 30th September 2021. From 1st October 2021 the basis of funding for NHS Trusts will revert to 2019/20 funding levels. The Trust's 2020/21 plan as described above incorporates these assumptions.

Although the factors described above represent material uncertainties that may cast significant doubt about the Trust's ability to continue as a going concern, the Directors, having made appropriate enquiries, still have reasonable expectations that the Trust will have adequate resources to continue in operational existence for the foreseeable future. As directed by the 2020/21 Department of Health and Social Care Group Accounting Manual, the Directors have prepared the financial statements on a going concern basis as they consider that the services currently provided by the Trust will continue to be provided in the foreseeable future. Therefore the Trust has adopted the going concern basis for preparing the financial statements and has not included the adjustments that would result if it was unable to continue as a going concern.

Note 1.3 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the GAM, the transition to IFRS 15 in 2018/19 was completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

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.

The timing of payment for goods/services provided by the Trust is dependent on the satisfaction of performance obligations and also credit terms and therefore debtor contract balances at year end will reflect this timing difference between the provision of goods/services and payment for them.

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 [Integrated Care System/Sustainability and Transformation 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.

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

The Trust does not receive income where a patient is readmitted within 30 days of discharge from a previous planned stay. This is considered an additional performance obligation to be satisfied under the original transaction price. An estimate of readmissions is made at the year end and this portion of revenue is deferred as a contract liability.

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

Revenue from NHS education and training contracts
The Trust receives revenue from Health Education England for the provision of education and training services for medical, dental and nursing trainees. This income is credited to the accounting period in which the corresponding expenditure on these sevices is charged in accordance with the matching principle.

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. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme
The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, notification has been received from the Department of Work and Pension's Compensation Recovery Unit, the Trust has completed the NHS2 form and has 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, currently at 22.43%. Last year's expected credit losses rate was 21.79%.

Revenue grants and other contributions to expenditure
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. 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, the corresponding notional expense is also recognised at the point of recognition for the benefit.

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

Note 1.4 Other forms of income
Sale of non-current assets
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.

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

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

Note 1.5 Expenditure on employee benefits
Short-term employee benefits
Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs
NHS Pension Scheme
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the Trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.
Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full valuation every four years and an accounting valuation every year.

Note 1.6 Expenditure on other goods and services

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

Note 1.7 Property plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

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.

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

The Trust engaged Cushman and Wakefield, an external independent body who are RICS qualified practitioners, to carry out a full 5 year revaluation of the Trust's land and buildings including dwellings in 2019/20 and commissioned them to undertake an annual 'desk-top' valuation for 2020/21. The total valuation of the Trust's land and buildings including dwellings as at 31st March 2021 is £363.7m (31st March 2020: £371.3m).

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

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

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

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

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.
Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.
Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.
An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

At the end of each financial year, the Trust undertakes a review for any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

Derecognition

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

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

- management are committed to a plan to sell the asset
- an active programme has begun to find a buyer and complete the sale
- the asset is being actively marketed at a reasonable price
- the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
- the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.
Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's 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.

In 2020/21 this includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM* , are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.
The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.
The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income. An element of the annual unitary payment is therefore allocated as a financing cost when repaying the PFI liability over the life of the contract. The cost of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

Useful lives of property, plant and equipment

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

	Min life Years	**Max life Years**
Land	-	-
Buildings, excluding dwellings	5	60
Dwellings	42	42
Plant & machinery	5	15
Transport equipment	-	-
Information technology	5	10
Furniture & fittings	5	15

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

Note 1.8 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably and where the cost is at least £5,000.

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.
Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

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

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recgnition are initially met.

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	**Max life Years**
Information technology	-	-
Development expenditure	-	-
Websites	-	-
Software licences	5	10
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-
Goodwill	-	-

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

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

Note 1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.
In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument or, in the case of trade receivables, when the goods or services have been delivered 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.

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. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

Financial 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.

Financial assets measured at fair value through other comprehensive income

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

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

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Contract and other receivables were reviewed as at 31st March 2020 for expected credit losses. Non NHS receivables are adjusted for credit losses based on amounts due greater than 90 days. Other receivables, such as Overseas Visitors Income, are assessed each year end to determine the level of credit losses attributable.

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

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

Derecognition

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

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Note 1.12 Leases
Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as a lessee
Finance leases
Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.
The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.
The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

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

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

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

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

Note 1.13 Provisions
The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2021:

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

HM Treasury provides discount rates for general provisions on a nominal rate basis.

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

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.95% in real terms.

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 contribution is charged to exoenditure. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed in Note 33.2 but is not recognised in the Trust's accounts.

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

Note 1.14 Contingencies
Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 34 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in Note 34, unless the probability of a transfer of economic benefits is remote.
Contingent liabilities are defined as:
• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.15 Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.
The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.
A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

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

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

Note 1.16 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 1.17 Climate change levy
Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.18 Third party assets
Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.19 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 therefore subject special control measures compared with the generality of payments. They are divided into different categories, which govern the way the cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

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 to / from other NHS bodies / local government bodies
For functions that have been transferred to the Trust from another NHS or local government body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets/ liabilities transferred is recognised within income / expenses, but not within operating activities.

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

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

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

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

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

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

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

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

Other standards, amendments and interpretations

Note 1.24 Critical judgements in applying accounting policies

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

Non-material

Following Treasury's agreement to apply IFRS 10 to NHS Charities from 1 April 2013, London North West University Healthcare has established that as the Trust is the corporate Trustee of the London North West Healthcare Charitable Fund, charity number 1083634, it effectively has the power to exercise control so as to obtain economic benefits.

Total income received by the Charity during the period 1st April 2020 to 31st March 2021 was £0.5m which is less than 0.1% of London North West University Healthcare NHS Trust's income. There were no substantive legacies or grant income received during this period.

IAS 1, Presentation of Financial Statements, says that specific disclosure requirements set out in individual standards or interpretations need to be satisfied if the information is not material and is reiterated in the NHS Manual for Accounts 2017-18.

In line with IAS 1, the London North West Charitable Funds are *not* consolidated into London North West University Healthcare Trust accounts on the grounds of materiality.

Material

Assets relating to land and buildings were subject to a formal valuation as at 31st March 2021, completed on an "alternate modern equivalent asset" basis. An existing use value alternative was used which assumes the assets would be replaced with a modern equivalent, i.e. not a building of identical design - but with the same service provision as the existing asset. The alternative modern equivalent asset may well be smaller (reduced Gross Internal Area than the existing asset which reflects the challenges healthcare providers face when utilising historical NHS Estate). Under the Trust's alternative modern equivalent asset valuation, the modern alternative hospitals are of the same service potential and in the same locations but on a smaller physical footprint to serve the catchment area of population.

The methodology adopted meets the requirements of International Accounting Standards (IAS) 16; Property, Plant and Equipment and does not deviate from the principles therein.

The Trust has used this valuation in its 2020/21 accounts. The impact of the assessment of the Trust's estate is an overall reduction in the valuation as at 31st March 2021 and will result in a depreciation profile that is a more accurate reflection of the useful economic life of the land and buildings.

Note 1.25 Sources of estimation uncertainty

Valuation - estimation uncertainty disclosure in the financial statements

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

Land and buildings.

The freehold and lease hold properties comprising the Trust operation estate were valued at 31 March 2021 by an external valuer, Cushman & Wakefield, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS valuation - Global Standard (July 2017 edition), the international valuation standard and IFRS as adapted and interpreted by the Financial Reporting Manual (FReM) and the DHSC Group Accounting Manual. The valuation of specialised properties were derived using the Depreciated Replacement Cost (DRC) method, with other in-use properties reported on an Existing Use Value basis."

Note 1.26 Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the liofe of the asset, to the amortised cost of the financial liability. In the case of DHSC loans that would be the nominal rate charged on the loan.

Note 2 Operating Segments

The nature of the Trust's services is the provision of healthcare. Similar methods are used to provide services across all locations, as all policies, procedures and governance arrangements are Trust-wide. As an NHS Trust, all services are subject to the same regulatory environment and standards. Accordingly, the Trust operates as one segment.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.1.

Note 3.1 Income from patient care activities (by nature)	2020/21 £000	2019/20 £000
Block contract / system envelope income*	653,432	520,640
High cost drugs income from commissioners (excluding pass-through costs)	1,981	30,540
Other NHS clinical income	14,637	2,755
Community services		
Block contract / system envelope income*	-	50,168
Income from other sources (e.g. local authorities)	-	10,259
All services		
Private patient income	947	4,665
Additional pension contribution central funding**	18,523	18,195
Other clinical income	15,566	6,775
Total income from activities	**705,086**	**643,997**

*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. For 2020/21, NHS providers continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The cost of the additional employer contributions in 2020/21 was £18.523m and the corresponding income from NHS England of £18.523m have both been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2020/21 £000	2019/20 £000
NHS England	139,836	131,227
Clinical commissioning groups	547,718	488,398
Department of Health and Social Care	-	970
Other NHS providers	1,018	1,644
NHS other	-	59
Local authorities	9,884	10,259
Non-NHS: private patients	947	4,665
Non-NHS: overseas patients (chargeable to patient)	4,198	4,338
Injury cost recovery scheme	509	804
Non NHS: other	976	1,633
Total income from activities	**705,086**	**643,997**
Of which:		
Related to continuing operations	705,086	643,997
Related to discontinued operations	-	-

Income from patient care activities includes non-recurring funding of £25.8m (2019/20: £3.425m) from NHS England and Clinical Commissioning Groups (CCGs) towards both the costs and the loss of elective income incurred by the Trust as a result of the Covid-19 pandemic.

Income from patient care activities also includes £18.523m income from NHS England in respect of the additional pensions contributions paid on the Trust's behalf and included in staff costs within Operating expenses.

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

	2020/21 £000	2019/20 £000
Income recognised this year	4,198	4,338
Cash payments received in-year	766	-
Amounts added to provision for impairment of receivables	2,054	-
Amounts written off in-year	955	23

Note 4 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	3,025	-	**3,025**	3,628	-	**3,628**
Education and training	26,594	-	**26,594**	25,083	-	**25,083**
Non-patient care services to other bodies	2,912		**2,912**	3,069		**3,069**
Provider sustainability fund (2019/20 only)			**-**	1,010		**1,010**
Reimbursement and top up funding	72,095		**72,095**			**-**
Receipt of capital grants and donations		1,866	**1,866**		613	**613**
Charitable and other contributions to expenditure		8,575	**8,575**		-	**-**
Rental revenue from operating leases		11,637	**11,637**		11,066	**11,066**
Amortisation of PFI deferred income / credits		-	**-**		-	**-**
Other income	3,242	-	**3,242**	14,790	-	**14,790**
Total other operating income	**107,868**	**22,078**	**129,946**	**47,580**	**11,679**	**59,259**
Of which:						
Related to continuing operations			129,946			59,259
Related to discontinued operations			-			-

Receipt of capital grants and donations in 2020/21 includes medical equipment with a value of £1.75m donated to the Trust by DHSC for the Covid-19 pandemic.

Other income includes funding for various projects in addition to income for corporate and estate services provided to third party organisations.

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2020/21 £000	2019/20 £000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	1,629	1,372

Note 6.1 Operating expenses

	2020/21 £000	2019/20 £000
Purchase of healthcare from NHS and DHSC bodies	-	-
Purchase of healthcare from non-NHS and non-DHSC bodies	3,144	-
Purchase of social care	-	-
Staff and executive directors costs	519,940	501,394
Remuneration of non-executive directors	162	63
Supplies and services - clinical (excluding drugs costs)	82,292	82,932
Supplies and services - general	34,114	27,940
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	64,067	66,351
Inventories written down	679	370
Consultancy costs	-	120
Establishment	6,779	7,288
Premises	26,966	26,902
Transport (including patient travel)	9,430	9,042
Depreciation on property, plant and equipment	19,672	14,951
Amortisation on intangible assets	3,266	5,182
Net impairments	5,902	14,116
Movement in credit loss allowance: contract receivables / contract assets	3,932	2,825
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	-	-
Audit fees payable to the external auditor		
audit services- statutory audit	121	95
other auditor remuneration (external auditor only)	-	-
Internal audit costs	75	80
Clinical negligence	18,474	16,044
Legal fees	387	577
Insurance	544	415
Research and development	739	929
Education and training	1,936	1,832
Rentals under operating leases	4,406	4,557
Early retirements	-	-
Redundancy	1,397	838
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	1,794	1,750
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	1,632	1,568
Hospitality	52	47
Losses, ex gratia & special payments*	132	9
Grossing up consortium arrangements	-	-
Other services, eg external payroll	-	-
Other	10,161	11,845
Total	**822,195**	**800,062**
Of which:		
Related to continuing operations	822,195	800,062
Related to discontinued operations	-	-

Other expenditure includes expenditure on IT systems £4.8m, professional fees and project management £4.1m and subscriptions £1.1m.

*The 2019/20 comparatives have been restated to re-classify £9k of expenditure as Losses, ex gratia & special payments. This cost was classified as Other in the 2019/20 audited accounts.

Note 6.2 Other auditor remuneration

There was no remuneration paid to the external auditor for non-audit services.

Note 6.3 Limitation on auditor's liability
The limitation on auditor's liability for external audit work is £151k (2019/20: £2 million).

Note 7 Impairment of assets

	2020/21 £000	2019/20 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	-	14,116
Other	5,902	-
Total net impairments charged to operating surplus / deficit	**5,902**	**14,116**
Impairments charged to the revaluation reserve	12,224	858
Total net impairments	**18,126**	**14,974**

In 2020/21 the Trust commissioned an independent valuer, Cushman and Wakefield, to undertake a desktop valuation of the Trust's land and buildings. The overall impact of the revaluation is to reduce the value of land and buildings as at 31st March 2021 by £16.8m overall, comprising an upward revaluation of £1.3m for some buildings which is credited to the revaluation reserve and an impairment in respect of a reduction of other buildings of £18.1m. The impairment relates to necessary capital expenditure to renew infrastructure and re-configure clinical facilities for the treatment of Covid-19 patients which does not result in a commensurate increase in the buildings' value under the applicable valuation methodology. For buildings where the balance on the revaluation reserve is sufficient to offset the impairment, £12.2m of the impairment has been charged to the revaluation reserve. For buildings where the balance of the revaluation reserve is *not* sufficient to offset the impairment, £5.9m has been charged to operating expenses within the Statement of Comprehensive Income (SoCI). This impairment charge of £5.9m is excluded by the Department of Health when measuring the Trust's performance and therefore it is removed from the adjusted financial performance below the Statement of Comprehensive Income.

Note 8 Employee benefits

	2020/21 Total £000	2019/20 Total £000
Salaries and wages	411,261	382,520
Social security costs	43,079	41,734
Apprenticeship levy	1,944	1,887
Employer's contributions to NHS pensions	60,886	59,560
Pension cost - other	39	39
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	130	108
Temporary staff (including agency)	8,863	17,864
Total gross staff costs	**526,202**	**503,712**
Recoveries in respect of seconded staff	(3,942)	-
Total staff costs	**522,260**	**503,712**
Of which		
Costs capitalised as part of assets	823	1,480

Note 8.1 Retirements due to ill-health

During 2020/21 there were no early retirements from the Trust agreed on the grounds of ill-health (there were 2 in 2019/20). The estimated additional pension liabilities of these ill-health retirements is 0k (£62k 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.

Other pension schemes: National Employment Savings Scheme (NEST)

In accordance with pensions auto-enrolment legislation, the Trust automatically enrols employees who do not qualify for the NHS Pensions scheme into the National Employment Savings Trust (NEST). The Trust makes a contribution of 4% of employee pensionable pay into the NEST scheme and the employee makes a contribution of 3% of pensionable pay. This cost is included in operating expenses. The government contributes the equivalent of 1% of qualifying earnings to the scheme.

Note 10 Operating leases

Note 10.1 London North West University Healthcare NHS Trust as a lessor

This note discloses income generated in operating lease agreements where London North West University Healthcare NHS Trust is the lessor.

	2020/21 £000	2019/20 £000
Operating lease revenue		
Minimum lease receipts	11,637	11,066
Total	**11,637**	**11,066**

	31 March 2021 £000	31 March 2020 £000
Future minimum lease receipts due:		
- not later than one year;	11,637	11,066
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	**11,637**	**11,066**

Note 10.2 London North West University Healthcare NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where London North West University Healthcare NHS Trust is the lessee.

London North West University Healthcare NHS Trust has entered operating leases as lessee for land, buildings, equipment, cars and printers for various lease terms.

	2020/21 £000	2019/20 £000
Operating lease expense		
Minimum lease payments	4,406	4,557
Total	**4,406**	**4,557**

	31 March 2021 £000	31 March 2020 £000
Future minimum lease payments due:		
- not later than one year;	4,389	4,420
- later than one year and not later than five years;	6,006	8,783
- later than five years.	1	160
Total	**10,396**	**13,363**
Future minimum sublease payments to be received	-	-

Note 11 Finance income

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

	2020/21 £000	2019/20 £000
Interest on bank accounts	-	209
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	**-**	**209**

In April 2020 the Government Banking Service (GBS) reduced the interest rate on NHS Trust's cash deposits to zero therefore the Trust did not earn any interest on bank accounts in 2020/21.

Note 12.1 Finance expenditure

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

	2020/21 £000	2019/20 £000
Interest expense:		
Loans from the Department of Health and Social Care	22	5,023
Other loans	-	-
Overdrafts	-	-
Finance leases	49	64
Interest on late payment of commercial debt	-	-
Main finance costs on PFI and LIFT schemes obligations	3,461	3,587
Contingent finance costs on PFI and LIFT scheme obligations	2,776	2,801
Total interest expense	**6,308**	**11,475**
Unwinding of discount on provisions	(81)	(69)
Other finance costs	-	-
Total finance costs	**6,227**	**11,406**

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

	2020/21 £000	2019/20 £000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	-	-
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13 Other gains / (losses)

	2020/21 £000	2019/20 £000
Gains on disposal of assets	-	498
Losses on disposal of assets	(376)	-
Total gains / (losses) on disposal of assets	**(376)**	**498**
Total other gains / (losses)	**(376)**	**498**

The Trust disposed of costs previously capitalised within Assets Under Construction totalling £376k in 2020/21.

Note 14.1 Intangible assets - 2020/21

	Software licences £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2020 - brought forward	**32,101**	**1,505**	**33,606**
Additions	3,116	9,649	**12,765**
Reclassifications	(611)	(1,505)	**(2,116)**
Valuation / gross cost at 31 March 2021	**34,606**	**9,649**	**44,255**
Amortisation at 1 April 2020 - brought forward	**17,980**	**-**	**17,980**
Provided during the year	3,266	-	**3,266**
Amortisation at 31 March 2021	**21,246**	**-**	**21,246**
Net book value at 31 March 2021	**13,360**	**9,649**	**23,009**
Net book value at 1 April 2020	**14,121**	**1,505**	**15,626**

Note 14.2 Intangible assets - 2019/20

	Software licences £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2019	**30,343**	**853**	**31,196**
Transfers by absorption	-	-	**-**
Additions	1,758	678	**2,436**
Disposals / derecognition	-	(26)	**(26)**
Valuation / gross cost at 31 March 2020	**32,101**	**1,505**	**33,606**
Amortisation at 1 April 2019	**12,798**	**-**	**12,798**
Prior period adjustments	-	-	**-**
Amortisation at 1 April 2019 - restated	**12,798**	**-**	**12,798**
Provided during the year	5,182	-	**5,182**
Amortisation at 31 March 2020	**17,980**	**-**	**17,980**
Net book value at 31 March 2020	**14,121**	**1,505**	**15,626**
Net book value at 1 April 2019	**17,545**	**853**	**18,398**

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 - brought forward	**31,068**	**335,329**	**4,865**	**5,170**	**116,633**	**57,771**	**5,614**	**556,450**
Additions	-	16,155	-	28,965	12,201	8,498	112	**65,931**
Impairments	-	(27,569)	(105)	-	-	-	-	**(27,674)**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	1,081	202	-	-	-	-	**1,283**
Reclassifications	-	2,630	-	(4,628)	-	4,114	-	**2,116**
Disposals / derecognition	-	-	-	(376)	-	-	-	**(376)**
Valuation/gross cost at 31 March 2021	**31,068**	**327,626**	**4,962**	**29,131**	**128,834**	**70,383**	**5,726**	**597,730**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**-**	**-**	**-**	**90,396**	**49,369**	**4,923**	**144,688**
Provided during the year	-	9,432	116	-	6,301	3,557	266	**19,672**
Impairments	-	(9,432)	(116)	-	-	-	-	**(9,548)**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**96,697**	**52,926**	**5,189**	**154,812**
Net book value at 31 March 2021	**31,068**	**327,626**	**4,962**	**29,131**	**32,137**	**17,457**	**537**	**442,918**
Net book value at 1 April 2020	**31,068**	**335,329**	**4,865**	**5,170**	**26,237**	**8,402**	**691**	**411,762**

In 2020/21 the Trust commissioned an independent valuer, Cushman and Wakefield, to undertake a desktop valuation of the Trust's land and buildings. The overall impact of the revaluation is to reduce the value buildings as at 31st March 2021 by £16.8m overall, comprising an upward revaluation of £1.3m for some buildings which is credited to the revaluation reserve and an impairment in respect of a reduction of other buildings of £18.1m. The impairment relates to necessary capital expenditure to renew infrastructure and re-configure clinical facilities for the treatment of Covid-19 patients which does not result in a commensurate increase in the buildings' value under the applicable valuation methodology. For buildings where the balance on the revaluation reserve is sufficient to offset the impairment, £12.2m of the impairment has been charged to the revaluation reserve. For buildings where the balance of the revaluation reserve is not sufficient to offset the impairment, £5.9m has been charged to operating expenses within the Statement of Comprehensive Income (SoCI). This impairment charge of £5.9m is excluded by the Department of Health when measuring the Trust's performance and therefore it is removed from the adjusted financial performance shown below the Statement of Comprehensive Income. There was no change in the valuation of land.

Note 15.2 Property, plant and equipment - 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
Valuation / gross cost at 1 April 2019	**29,898**	**326,565**	**4,801**	**540**	**106,371**	**56,503**	**5,614**	**530,292**
Additions	-	11,031	-	4,630	10,957	1,268	-	**27,886**
Impairments	(267)	(18,949)	-	-	-	-	-	**(19,216)**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	1,437	16,682	64	-	-	-	-	**18,183**
Reclassifications	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(695)	-	-	**(695)**
Valuation/gross cost at 31 March 2020	**31,068**	**335,329**	**4,865**	**5,170**	**116,633**	**57,771**	**5,614**	**556,450**
Accumulated depreciation at 1 April 2019	**-**	**-**	**-**	**-**	**86,413**	**47,377**	**4,655**	**138,445**
Provided during the year	-	8,560	112	-	4,019	1,992	268	**14,951**
Impairments	-	(4,242)	-	-	-	-	-	**(4,242)**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	(4,318)	(112)	-	-	-	-	**(4,430)**
Reclassifications	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(36)	-	-	**(36)**
Accumulated depreciation at 31 March 2020	**-**	**-**	**-**	**-**	**90,396**	**49,369**	**4,923**	**144,688**
Net book value at 31 March 2020	**31,068**	**335,329**	**4,865**	**5,170**	**26,237**	**8,402**	**691**	**411,762**
Net book value at 1 April 2019	**29,898**	**326,565**	**4,801**	**540**	**19,958**	**9,126**	**959**	**391,847**

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	31,068	243,690	4,962	29,131	30,062	17,213	464	**356,590**
Finance leased	-	-	-	-	198	-	-	**198**
On-SoFP PFI contracts and other service concession arrangements	-	71,432	-	-	-	-	-	**71,432**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	**-**
Owned - donated/granted	-	12,504	-	-	1,877	244	73	**14,698**
NBV total at 31 March 2021	**31,068**	**327,626**	**4,962**	**29,131**	**32,137**	**17,457**	**537**	**442,918**

Note 15.4 Property, plant and equipment financing - 2019/20

	Land £000	Buildings excluding dwellings £0	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	31,068	251,110	4,865	5,170	25,660	8,038	605	**326,516**
Finance leased	-	-	-	-	297	-	-	**297**
On-SoFP PFI contracts and other service concession arrangements	-	70,736	-	-	-	-	-	**70,736**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	**-**
Owned - donated/granted	-	13,483	-	-	280	364	86	**14,213**
NBV total at 31 March 2020	**31,068**	**335,329**	**4,865**	**5,170**	**26,237**	**8,402**	**691**	**411,762**

Note 16 Donations of property, plant and equipment
In 2020/21 the Trust received items of medical equipment from the Department of Health and Social Care with a purchase value of £1.75m which are accounted as donated asserts in accordanbce with the accounting treatment prescribed by DHSC. In addition the Trust received donations to finance the purchase of capital assets to the value of £0.116m in the year from the London North West Healthcare Charity. This value is included in Other non contract operating income (Note 4). This income is removed from the financial performance for the year to arrive at the adjusted retained deficit.

Note 17 Revaluations of property, plant and equipment
The Trust's land and buildings were revalued at 31 March 2021 by the Trust's appointed valuers, Cushman and Wakefield, applying the Modern Equivalent Valuation methodology for the valuation. The total value of Land, Buildings and Dwellings as at 31st March 2021 per the valuation is £368.4m.

In 2020/21 the Trust commissioned an independent valuer, Cushman and Wakefield, to undertake a desktop valuation of the Trust's land and buildings. The overall impact of the revaluation is to reduce the value buildings as at 31st March 2021 by £16.8m overall, comprising an upward revaluation of £1.3m for some buildings which is credited to the revaluation reserve and an impairment in respect of a reduction of other buildings of £18.1m. The impairment relates to necessary capital expenditure to renew infrastructure and re-configure clinical facilities for the treatment of Covid-19 patients which does not result in a commensurate increase in the buildings' value under the applicable valuation methodology. For buildings where the balance on the revaluation reserve is sufficient to offset the impairment, £12.2m of the impairment has been charged to the revaluation reserve. For buildings where the balance of the revaluation reserve is not sufficient to offset the impairment, £5.9m has been charged to operating expenses within the Statement of Comprehensive Income (SoCI). This impairment charge of £5.9m is excluded by the Department of Health when measuring the Trust's performance and therefore it is removed from the adjusted financial performance shown below the Statement of Comprehensive Income. There was no change in the valuation of land.

Within the total values as at 31st March 2021, £31.1m related to land valued at open market value and £4.8m related to dwellings valued at open market value.

The fair value of Buildings excluding Dwellings as at 31st March 2021 is £332.5m

The valuation was undertaken by surveyors who were suitably experienced and qualified members of the Royal Institute of Chartered Surveyors.

The valuation was carried out in accordance with the RICS Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health and HM Treasury.

Note 18 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	4,684	5,931
Work In progress	-	-
Consumables	6,937	5,297
Energy	84	128
Other	-	-
Total inventories	**11,705**	**11,356**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £70,584k (2019/20: £66,721k). Write-down of inventories recognised as expenses for the year were £679k (2019/20: £370k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment (PPE)and passed these to NHS providers free of charge. During 2020/21 the Trust received £8,575k of items purchased by DHSC. The unused stock of these centrally procured PPE items was valued at 31st March at £1.42m and this balance is included in the Consumables total of £6,937k above.

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

Note 19.1 Receivables

	31 March 2021 £000	Restated 31 March 2020 £000
Current		
Contract receivables	35,476	55,737
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(12,150)	(9,264)
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	27,166	4,780
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	2,193	894
VAT receivable	4,800	3,280
Corporation and other taxes receivable	-	-
Other receivables	-	-
Total current receivables	**57,485**	**55,427**
Non-current		
Other receivables	1,723	-
Total non-current receivables	**1,723**	**-**
Of which receivable from NHS and DHSC group bodies:		
Current	23,045	35,768
Non-current	1,723	-

Prior period adjustment

The Trust has restated the Statement of Financial Position as at 31st March 2020 to exclude £18.195m from both Receivables and Trade and Other payables balances relating to NHS Pension employer's contributions paid on its behalf by NHS England. The Trust had included a receivable of £18.195m within Contract receivables in the Receivables note in the 2019/20 audited accounts on the basis that the DHSC would arrange a circular cash transaction relating to the contributions between NHS England and the Trust at a future date. The DHSC has confirmed there will be no circular cash transaction between NHS England and the Trust in respect of the contributions and therefore £18.195m has been removed from the 2019/20 comparative total for Contract receivables in the note above.

Note 19.2 Allowances for credit losses

	2020/21		2019/20	
	Contract receivables and contract assets £000	All other receivables £000	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 April - brought forward	**9,264**	**-**	**6,606**	**-**
Transfers by absorption	-	-	-	-
New allowances arising	3,932	-	2,825	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(1,046)	-	(167)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 March	**12,150**	**-**	**9,264**	**-**

Note 19.3 Exposure to credit risk

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

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 £000	2019/20 £000
At 1 April	**3,727**	**5,211**
Net change in year	4,367	(1,484)
At 31 March	**8,094**	**3,727**
Broken down into:		
Cash at commercial banks and in hand	45	46
Cash with the Government Banking Service	8,049	3,681
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**8,094**	**3,727**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**8,094**	**3,727**

Note 20.2 Third party assets held by the Trust

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

	31 March 2021 £000	31 March 2020 £000
Bank balances	4	4
Monies on deposit	-	-
Total third party assets	**4**	**4**

Note 21.1 Trade and other payables

	31 March 2021 £000	Restated 31 March 2020 £000
Current		
Trade payables	22,058	18,645
Capital payables	7,187	14,308
Accruals	26,050	17,793
Receipts in advance and payments on account	268	268
PFI lifecycle replacement received in advance	-	-
Social security costs	175	168
VAT payables	-	-
Other taxes payable	-	-
PDC dividend payable	-	-
Other payables	30,362	33,421
Total current trade and other payables	**86,100**	**84,603**
Non-current		
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	11,322	12,391
Non-current	-	-

Prior period adjustment

The Trust has restated the Statement of Financial Position as at 31st March 2020 to exclude £18.195m from both Receivables and Trade and Other payables balances relating to NHS Pension employer's contributions paid on its behalf by NHS England. The Trust had included a payable of £18.195m within Trade payables in the Trade and other payables note in the 2019/20 audited accounts on the basis that the DHSC would arrange a circular cash transaction relating to the contributions between NHS England and the Trust at a future date. The DHSC has confirmed there will be no circular cash transaction between NHS England and the Trust in respect of the contributions and therefore £18.195m has been removed from the 2019/20 comparative total for Trade payables in the note above.

Note 21.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2021 £000	31 March 2021 Number	31 March 2020 £000	31 March 2020 Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 22 Other liabilities

	31 March 2021 £000	31 March 2020 £000
Current		
Deferred income: contract liabilities	9,160	7,376
Deferred grants	-	-
Deferred PFI credits / income	-	-
Lease incentives	-	-
Other deferred income	-	-
Total other current liabilities	**9,160**	**7,376**
Non-current		
Total other non-current liabilities	**-**	**-**

Note 23.1 Borrowings

	31 March 2021 £000	31 March 2020 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC	136	341,140
Other loans	-	-
Obligations under finance leases	477	203
Obligations under PFI, LIFT or other service concession contracts	1,473	1,526
Total current borrowings	**2,086**	**342,869**
Non-current		
Loans from DHSC	457	593
Other loans	-	-
Obligations under finance leases	-	475
Obligations under PFI, LIFT or other service concession contracts	46,724	48,198
Total non-current borrowings	**47,181**	**49,266**

On 3 April 2020, NHS England and Improvement announced that all DH interim revenue and DH interim capital loans of NHS Trusts outstanding as at 31 March 2020 will be repaid and the equivalent amount issued to the Trust as Public Dividend Capital (PDC) in 2020/21. Public Dividend Capital represents the Secretary of State's equity in the Trust and is not repayable. Therefore all the Trust's DH interim revenue and DH interim capital loans which totalled £339.7m as at 31 March 2020 were repaid and replaced by £339.7m of newly issued Public Dividend Capital in August 2020.

Note 23.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2020	**341,733**	**-**	**678**	**49,724**	**392,135**
Cash movements:					
Financing cash flows - payments and receipts of principal	(339,854)	-	(201)	(1,526)	**(341,581)**
Financing cash flows - payments of interest	(1,308)	-	(49)	(3,462)	**(4,819)**
Non-cash movements:					
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Application of effective interest rate	22	-	49	3,461	**3,532**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Early terminations	-	-	-	-	**-**
Other changes	-	-	-	-	**-**
Carrying value at 31 March 2021	**593**	**-**	**477**	**48,197**	**49,267**

On 3 April 2020, NHS England and Improvement announced that all DH interim revenue and DH interim capital loans of NHS Trusts outstanding as at 31 March 2020 will be repaid and the equivalent amount issued to the Trust as Public Dividend Capital (PDC) in 2020/21. Public Dividend Capital represents the Secretary of State's equity in the Trust and is not repayable. Therefore all the Trust's DH interim revenue and DH interim capital loans which totalled £339.7m as at 31 March 2020 were repaid and replaced by £339.7m of newly issued Public Dividend Capital in August 2020.

Note 23.3 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2019	**262,997**	**-**	**862**	**51,641**	**315,500**
Cash movements:					
Financing cash flows - payments and receipts of principal	78,117	-	(184)	(1,917)	**76,016**
Financing cash flows - payments of interest	(4,404)	-	(64)	(3,587)	**(8,055)**
Non-cash movements:					
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Application of effective interest rate	5,023	-	64	3,587	**8,674**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Early terminations	-	-	-	-	**-**
Other changes	-	-	-	-	**-**
Carrying value at 31 March 2020	**341,733**	**-**	**678**	**49,724**	**392,135**

Note 24 Finance leases

Note 24.1 London North West University Healthcare NHS Trust as a lessor

The Trust has no finance leases in which it is the lessor.

Note 24.2 London North West University Healthcare NHS Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	31 March 2021 £000	31 March 2020 £000
Gross lease liabilities	**522**	**773**
of which liabilities are due:		
- not later than one year;	255	251
- later than one year and not later than five years;	267	522
- later than five years.	-	-
Finance charges allocated to future periods	(45)	(95)
Net lease liabilities	**477**	**678**
of which payable:		
- not later than one year;	477	203
- later than one year and not later than five years;	-	475
- later than five years.	-	-
Total of future minimum sublease payments to be received at the reporting date	-	-
Contingent rent recognised as expense in the period	-	-

The finance leases relate mainly to leases of clinical equipment.

Note 25.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Re-structuring £000	Redundancy £000	Other £000	Total £000
At 1 April 2020	**637**	**4,988**	**311**	**-**	**257**	**955**	**7,148**
Arising during the year	78	418	405	658	406	1,723	**3,688**
Utilised during the year	(61)	(165)	-	-	(234)	-	**(460)**
Reversed unused	(37)	-	(217)	-	(23)	(726)	**(1,003)**
Unwinding of discount	(9)	(72)	-	-	-	-	**(81)**
At 31 March 2021	**608**	**5,169**	**499**	**658**	**406**	**1,952**	**9,292**
Expected timing of cash flows:							
- not later than one year;	78	221	499	658	406	**229**	**2,091**
- later than one year and not later than five years;	317	895	-	-	-	**-**	**1,212**
- later than five years.	213	4,053	-	-	-	**1,723**	**5,989**
Total	**608**	**5,169**	**499**	**658**	**406**	**1,952**	**9,292**

The Pensions early departure cost relates to pension payments for staff retiring early through ill health. These figures are provided by the NHS Pensions Authority. The discount rate for pensions relating to other staff is -0.95% in line with HM Treasury and Department of Health guidelines. Settlements of these claims are determined using statistics provided by The Office of National Statistics (ONS).

Legal Claims refer to Public and employers liability claims and also provisions in relation to ongoing employment cases. The value of these claims will be subject to the relevant judgements or subsequent settlements made by employment tribunals.

The redundancy provision relates to potential management redundancies.

Note 25.2 Clinical negligence liabilities

As at 31 March 2021, £324,779k was included in provisions in the accounts of NHS Resolution in respect of the clinical negligence liabilities of London North West University Healthcare NHS Trust (31 March 2020: £319,872k).

Note 26 Contingent assets and liabilities

	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities		
NHS Resolution legal claims	(42)	(52)
Employment tribunal and other employee related litigation	-	(133)
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	**(42)**	**(185)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(42)**	**(185)**
Net value of contingent assets	**-**	**-**

The contingent liabilities relate to claims managed under the Property Expenses Scheme (PES) and Liability to Third Parties Scheme (LTPS) on the Trust's behalf by NHS Resolution.

Note 27 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	6,706	2,247
Intangible assets	-	-
Total	**6,706**	**2,247**

Note 28 On-SoFP PFI, LIFT or other service concession arrangements

Under the PFI contract, which ends on 16 March 2036, the Trust's PFI provider ByCentral Limited has constructed the Brent Emergency Care and Diagnostic (BECaD) building on the site of Central Middlesex Hospital and provides facilities management for existing and new premises for the duration of the contract. At the conclusion of the contract, ownership of the asset will revert to the Trust. Under IFRIC 12, the asset is treated as an asset of the Trust and is included in the Statement of Financial Position.

Note 28.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

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

	31 March 2021 £000	31 March 2020 £000
Gross PFI, LIFT or other service concession liabilities	**79,189**	**84,176**
Of which liabilities are due		
- not later than one year;	4,830	4,987
- later than one year and not later than five years;	21,111	20,831
- later than five years.	53,248	58,358
Finance charges allocated to future periods	(30,992)	(34,452)
Net PFI, LIFT or other service concession arrangement obligation	**48,197**	**49,724**
- not later than one year;	1,473	1,526
- later than one year and not later than five years;	9,062	8,192
- later than five years.	37,662	40,006

Note 28.2 Total on-SoFP PFI, LIFT and other service concession arrangements

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

	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**112,057**	**118,837**
Of which payments are due:		
- not later than one year;	6,669	6,781
- later than one year and not later than five years;	28,939	28,467
- later than five years.	76,449	83,589

Note 28.3 Analysis of amounts payable to service concession operator

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

	2020/21 £000	2019/20 £000
Unitary payment payable to service concession operator	**11,999**	**11,711**
Consisting of:		
- Interest charge	3,461	3,587
- Repayment of balance sheet obligation	1,526	1,917
- Service element and other charges to operating expenditure	1,794	1,750
- Capital lifecycle maintenance	2,442	1,656
- Revenue lifecycle maintenance	-	-
- Contingent rent	2,776	2,801
- Addition to lifecycle prepayment	-	-
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	-
Total amount paid to service concession operator	**11,999**	**11,711**

Note 29 Financial instruments

Note 29.1 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. The Trust has a continuing service provider relationship with Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, and therefore the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS 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. The Trust therefore has low exposure to currency rate fluctuations.

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

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Liquidity risk
The Trust's operating costs are incurred under contracts with clinical commissioning groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. For the financial year commencing 1 April 2021, the Trust has submitted a plan to NHS England and Improvement for a deficit of £415m, after receiving planned Provider Sustainability Funding (PSF) of £40m. The plan requires additional cash support through PDC revenue financing.

Note 29.2 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	25,049	**25,049**
Other investments / financial assets	-	**-**
Cash and cash equivalents	8,094	**8,094**
Total at 31 March 2021	**33,143**	**33,143**

Carrying values of financial assets as at 31 March 2020	Restated Held at amortised cost £000	Restated Total book value £000
Trade and other receivables excluding non financial assets	46,473	**46,473**
Other investments / financial assets	-	**-**
Cash and cash equivalents	3,727	**3,727**
Total at 31 March 2020	**50,200**	**50,200**

Prior period adjustment
The comparative figures for carrying values of financial assets have been restated to remove the receivable for £18,195k relating to NHS pension employer liabilities paid on the Trust's behalf by NHS England.

Note 29.3 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	593	**593**
Obligations under finance leases	477	**477**
Obligations under PFI, LIFT and other service concession contracts	48,197	**48,197**
Other borrowings	-	**-**
Trade and other payables excluding non financial liabilities	67,755	**67,755**
Other financial liabilities	-	**-**
Provisions under contract	-	**-**
Total at 31 March 2021	**117,022**	**117,022**

Carrying values of financial liabilities as at 31 March 2020	Restated Held at amortised cost £000	Restated Total book value £000
Loans from the Department of Health and Social Care	341,733	**341,733**
Obligations under finance leases	678	**678**
Obligations under PFI, LIFT and other service concession contracts	49,724	**49,724**
Other borrowings	-	**-**
Trade and other payables excluding non financial liabilities	57,899	**57,899**
Other financial liabilities	-	**-**
Provisions under contract	-	**-**
Total at 31 March 2020	**450,034**	**450,034**

Prior period adjustment
The comparative figures for carrying values of financial liabilities have been restated to remove the payable for £18,195k relating to NHS pension employer liabilities paid on the Trust's behalf by NHS England.

Note 29.4 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	Restated 31 March 2020 £000
In one year or less	21,323	401,958
In more than one year but not more than five years	42,761	43,203
In more than five years	83,977	89,822
Total	**148,061**	**534,983**

Note 29.5 Fair values of financial assets and liabilities
Financial assets and financial liabilities are held at amortised cost. The difference between carrying value and fair value is immaterial.

Prior period adjustment
The comparative figure for the maturity profile of financial liabilities in more than five years has been restated to remove the payable for £18,195k relating to NHS pension employer liabilities paid on the Trust's behalf by NHS England.

Note 30 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	-	-	-	-
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	176	1,054	36	25
Stores losses and damage to property	13	679	117	370
Total losses	**189**	**1,733**	**153**	**395**
Special payments				
Compensation under court order or legally binding arbitration award	1	100	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	44	32	27	9
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**45**	**132**	**27**	**9**
Total losses and special payments	**234**	**1,865**	**180**	**404**
Compensation payments received		-		-

The bad debts and claims abandoned relates to debts recognised in previous financial years which have been written off as they were considered non-recoverable following the conclusion of recovery processes. The Trust had set aside provisions in these previous financial years for these debts before writing them off in 2020/21.

Note 31 Related parties

During the year none of the Department of Health and Social Care Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with London North West University Healthcare NHS Trust.

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

The significant transactions were with NHS Brent CCG, NHS Ealing CCG, NHS Harrow CCG, NHS Barnet CCG, NHS Hillingdon CCG, Health Education England and NHS England.

The Hillingdon Hospital NHS Foundation Trust

The Chairman of the Trust, Lord Amyas Morse, is also Chairman of the The Hillingdon Hospitals NHS Foundation Trust. The Trust accounted for income and expenditure with The Hillingdon Hospitals NHS Foundation Trust in 2020/21 and therefore it is disclosed as a related party. In 20/21 the Trust accounted for expenditure of £489k and income of £3,069k with The Hillingdon Hospitals NHS Foundation Trust and the balances at year end were as follows:

	31st March 2021 £000
Debtor - amounts owed by The Hillingdon Hospitals NHS Foundation Trust	471
Creditor - amounts owed to The Hillingdon Hospitals NHS Foundation Trust	-489

London North West Healthcare Charity

Members of the Trust board are also Trustees are also of the London North West Healthcare Charity. The Trust received revenue of £502k (of which £304k related to Covid donations for patient and staff welfare) in the year and capital payments of £116k for medical equipment from the London North West Healthcare Charity in 2020/21. The amounts due or to be paid at the end of the financial year are as follows:

	31st March 2021 £000
	£000
Debtor - amounts owed by London North West Healthcare Charity	-139 *
Creditor - amounts owed to London North West Healthcare Charity	0

*The debtor balance owed by London North West Healthcare Charity was negative due to a high value credit note raised by the Trust which was outstanding as at 31st March 2021.

Note 32 Prior period adjustments

The Trust has restated the Statement of Financial Position as at 31st March 2020 to exclude £18.195m from both Receivables and Trade and other payables balances relating to NHS Pension employer's contributions paid on its behalf by NHS England. The Trust had included a receivable of £18.195m and a payable of £18.195m in the 2019/20 audited accounts on the basis that the DHSC would arrange a circular cash transaction relating to the contributions between NHS England and the Trust at a future date. The DHSC has confirmed there will be no circular cash transaction between NHS England and the Trust in respect of the contributions and therefore £18.195m has been removed from the 2019/20 comparative totals for Receivables and Trade and other payables in these accounts. There is no restatement of the 2019/20 Statement of Comprehensive Income.

Note 33 Events after the reporting date

The Trust is negotiating the transfer of all remaining adult and paediatric community services. Brent adult and paediatric community services will transfer to Central London Community Healthcare NHS Trust and Harrow paediatric community services will transfer to Central and North West London Community NHS Trust.

The objective of the transfer is to align the pattern of service provision in Brent and Harrow with that in place in other boroughs where Trusts specialising in community services are responsible for the provision of these services rather than an acute hospital Trust. The estimated annual income attributable to these services is approx £34.9m. No fixed assets or inventory will transfer. The proposed effectve date for the transfer of services is 1st August 2021.

Note 34 Better Payment Practice code

Non-NHS Payables	2020/21 Number	2020/21 £000	2019/20 Number	2019/20 £000
Total non-NHS trade invoices paid in the year	103,855	451,619	142,766	446,001
Total non-NHS trade invoices paid within target	91,090	434,041	115,338	412,797
Percentage of non-NHS trade invoices paid within target	87.7%	96.1%	80.8%	92.6%
NHS Payables				
Total NHS trade invoices paid in the year	3,668	14,809	3,514	18,638
Total NHS trade invoices paid within target	3,080	14,123	2,975	17,830
Percentage of NHS trade invoices paid within target	84.0%	95.4%	84.7%	95.7%

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

Note 35 External Financing limit

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

	2020/21 £000	2019/20 £000
Cash flow financing	51,534	82,915
Finance leases taken out in year		
Other capital receipts		
External financing requirement	**51,534**	**82,915**
External financing limit (EFL)	51,535	83,226
Under spend against EFL	**1**	**311**

Note 36 Capital Resource Limit

	2020/21 £000	2019/20 £000
Gross capital expenditure	78,696	30,322
Less: Disposals	(376)	(685)
Less: Donated and granted capital additions	(1,866)	(613)
Plus: Loss on disposal from capital grants in kind	-	-
Charge against Capital Resource Limit	**76,454**	**29,024**
Capital Resource Limit	76,638	29,024
Under spend against CRL	**184**	**-**

Note 37 Breakeven duty financial performance

	2020/21 £000
Adjusted financial performance surplus / (control total basis)	1,372
Remove impairments scoring to Departmental Expenditure Limit	-
Add back non-cash element of On-SoFP pension scheme charges	-
IFRIC 12 breakeven adjustment	-
Breakeven duty financial performance surplus	**1,372**

Note 38 Breakeven duty rolling assessment

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Breakeven duty in-year financial performance	(88,245)	(61,098)	(38,597)	(20,998)	(93,429)	1,372
Breakeven duty cumulative position	(113,180)	(174,278)	(212,875)	(233,873)	(327,302)	(325,930)
Operating income	666,125	681,059	701,443	729,022	703,256	835,032
Cumulative breakeven position as a percentage of operating income	(17.0%)	(25.6%)	(30.3%)	(32.1%)	(46.5%)	(39.0%)

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

Although the Trust earned an adjusted surplus in 2020/21 it has not met its breakeven duty in relation to the rolling assesment period because of the deficits incurred in previous years.

The Trust is a full member of NHS North West London and is working in partnership with the wider Integrated Care System - the Trust's clinical and financial strategy for the future should be seen in the context of working as an integral part of a wider system, rather than as an isolated and unsustainable organisation. The NWL ICS is determined to improve the health and well-being of the local population through a proactive model of care which will reduce the costs of meeting the care needs of the local population, enabling the system to move towards financial as well as clinical sustainability.

In 2019, the Trust commissioned a review of the 'Drivers of the Deficit.' This was refreshed by the new leadership team in 2020, and helps drive the actions that the Trust is taking in partnership to move towards in-year financial sustainability. The Trust achieved a small surplus financial position in 2020/21 and is aiming to achieve a small deficit in the 2021/22 financial year. Recovery of the cumulative deficit is not covered by the Trust or the system recovery plans.

Glossary of terms

A

A&E: Accident and Emergency

AHP: Allied Health Professional - One of several professional healthcare roles in the NHS which are not nursing, doctor or pharmacist roles.

B

BAF: Board Assurance Framework - brings together in one place all of the relevant information on the risks to the board's strategic objectives.

C

CCG: Clinical Commissioning Group - NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England.

CEO: Chief Executive

Commissioning: Commissioning is the process of planning, agreeing and monitoring services. This can range from assesing the health needs of a population, to designing patient pathways, to service specification and contract negotiation or procurement, with continuous quality assessment.

CMH: Central Middlesex Hospital

CRF: Clinical Research Facility - a purpose-built environment for volunteers and patients taking part in early-phase clinical trials and other experimental medicine research projects.

E

ED: Emergency Department – also known as Accident and Emergency (A & E).

H

Healthwatch: the independent champion for people who use health and social care services. There is a local Healthwatch in every area of England.

I

ICU: intensive care unit

ICS: Integrated care system: new partnerships between the organisations that meet health and care needs across an area, to coordinate services and to plan in a way that improves population health and reduces inequalities between different groups.

L

LNWH: London North West University Healthcare NHS Trust

LTC: Long-term conditions: defined as a condition that cannot, be cured but can be controlled by medication and other therapies.

N

NED: Non-Executive Director.

NHSI: NHS Improvement - responsible for overseeing NHS trusts, NHS foundation trusts and independent providers.

NICE: National Institute for Health and Care Excellence - working to improve outcomes for people using the NHS and other public health and social care services.

NPH: Northwick Park Hospital

O

Ockenden Report: Emerging findings and recommendations from the independent review of maternity services at The Shrewsbury and Telford Hospital NHS Trust

P

PALS: Patient Advice and Liaison Service - offers confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and carers.

PPE: personal protective equipment such as goggles and masks.

R

R&D: Research

S

SDEC: Same Day Emergency Care - one of the many ways the NHS is working to provide the right care, in the right place, at the right time for patients. It aims to benefit both patients and the healthcare system by reducing waiting times and hospital admissions, where appropriate.

Our Trust covers:

- Central Middlesex Hospital
- Ealing Hospital
- Northwick Park Hospital
- St Mark's Hospital
- Community services across Brent, Meadow House Hospice and the Willesden Community Rehabilitation Hospital

Contact and follow us at:

Trust HQ
London North West University Healthcare
NHS Trust
Northwick Park Hospital
Watford Road
Harrow, HA1 3UJ

T. 020 8864 3232

E. lnwh-tr.trust@nhs.net (general enquiries)

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