NHS
North West Anglia
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS
2020/21

North West Anglia NHS Foundation Trust

Annual Report and Accounts 2020-21

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

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Introduction

About this Report

Our Annual Report and Annual Accounts presents information about the services we provide, including our strategy for the coming year.

It looks at our performance over the past year against strategic objectives, while providing a detailed review of our financial information in keeping with the Trust's pledge of openness and transparency.

As per last year we have not included our Quality Account section following the changes made to reporting requirements put in place by NHS England and NHS Improvement which gave NHS Foundation Trusts the time and resource to manage their response to the Covid-19 pandemic.

This report is divided into the following sections:

Introduction
Statement by the Chairman and Chief Executive Officer.

Performance Report
Our Trust explained – key facts about the Trust, our values and strategy, operational performance, achievements and accolades, plus current financial position, going concern, operational performance and our values and strategy.

This section covers the requirements of a strategic report as set out in the Companies Act 2006 and NHS England and NHS Improvement guidance issued to NHS Foundation Trusts.

Accountability Report
This report provides details of our performance against national targets; a financial review including risks facing the Trust; workforce and organisational development; and information relating to caring for patients and engaging with our community.

In addition, it includes details of the Board of Directors, the Council of Governors, Foundation Trust membership, statutory information and governance standards for our organisation.

Annual Accounts
This is a detailed report of the Trust's accounts for the past financial year.

For further information about the Trust, please contact the Communications Department on **01733 678024**, or email: **nwangliaft.communications@nhs.net**

Statement from the Chairman

I am pleased to present our Annual Report and Accounts for 2020-21. It has been a year like no other for the NHS as a whole, and certainly for the staff, patients and volunteers in our hospitals.

In this publication we have not included our Quality Report section, following temporary changes to reporting requirements put in place by NHS England and NHS Improvement in March 2020. This omission is due to the wide-scale impact of the Covid-19 pandemic on our quality performance across the board, but particularly our ability to manage patients' waiting times for timely treatment.

One of the key priorities for the board in the coming year will be to do all we can to ensure our plans for those patients currently waiting for an appointment or treatment are delivered effectively.

I would like to pay tribute to the strength, resilience and determination of all our teams across all our hospital sites for the way they have worked together to care for our patients, and each other, during such challenging times. This includes the support staff and volunteers (without whom we simply cannot function) as well as our clinical teams.

Working together with our partners in health, social care and the voluntary sector, has been vital in sustaining care during the pandemic. I look forward to building on this integrated approach to care as we commence the transition to an Integrated Care System next year.

I must also acknowledge the work of our executive team, who have worked tirelessly in our hospitals supporting our Hospital Control Team in making key decisions throughout our pandemic response, as well as keeping their grip on 'business as usual'.

Despite the challenges imposed on our way of working, it has been essential that governance and assurance was maintained. In support of this, our Board and Governors effectively switched to virtual meetings and workshops.

It has been heartening to witness the way our local communities have shown their support for local NHS staff in their fundraising and generous donations made throughout the year. I must also thank our volunteers, for being quick to return to our hospitals to help us once it was safer to do so. We have been lucky to attract a group of young volunteers who in the last quarter of the year have been helping to run our vaccination clinics and keep patients company during their stay with us.

We have welcomed some new appointments to our Board of Directors in 2020-21 – including a new Chief Finance Officer and Chief Operating Officer as well as two new Non- Executive Directors. More details on our board members can be found on page X of the Accountability Report.

We have also further strengthened our Board this year by appointing to a new post of Chief Strategy and Transformation Officer – a role fulfilled by Dr Arshiya Khan. Her appointment is key in driving our work with

Rob Hughes - Chairman

our local health and care partners in the development of the new Integrated Care System for Cambridgeshire and Peterborough.

As we plan our strategy for 2021-22 and beyond, the board is clear that the health and wellbeing of our staff must continue to be an area of strong focus, to help them recover and use their experiences of the past 12 months to facilitate positive changes in their working lives. Alongside this, we are driving ahead with recovery plans to see all non-urgent services fully resume in Q1, and have boosted our workforce to support our plans.

It is clear that the next 12 months will remain a challenge, with Covid-19 endemic in society for a considerable time to come, but thanks to the successful local vaccination programme and our initial learning from the pandemic now factored in to the running of our hospitals, it feels that we are in a good position to continue to provide great care to our local communities when they need us.

I remain incredibly proud to serve as Trust Chairman. My term of service will come to an end in 2022 and I hope that my final year at North West Anglia NHS Foundation Trust will be one that sees the Trust and our health and care partners emerge from the pandemic far stronger together to deliver further improved local health services for our population.

Rob Hughes
Chairman
11 June 2021

Statement from the Chief Executive

I am sure I speak for all our staff members when I say our experience of the Covid-19 pandemic in the past 12 months has been, without doubt, the most challenging of both our personal and professional lives.

However, the way our staff have responded to ensure we could keep our hospitals running safely – even in the hardest weeks when we had more than 300 Covid-positive patients in our care – has been an inspiration.

Throughout the year I have been extremely proud of the way our staff have adapted, again and again, to such unusual circumstances. Many have been redeployed, worked longer or extra shifts and coped valiantly with the discomfort of wearing PPE for a prolonged period.

Staff have positively embraced a new, virtual way of working to reduce close contact, and our support staff have provided vital help with their tireless work to help keep our frontline services going. I would like to thank all our staff, and the families that supported them, for dedicating their time and efforts to the fight against Coronavirus.

We will never be able to thank our staff enough – but in the past year we have put in place a number of initiatives that we hope go some way to supporting them in both an emotional and practical way. This included setting up an Emotional Wellbeing Service for staff to access advice, specific help, or to simply talk through their feelings. I am pleased to report that we have made car parking free to staff since April 2020 and will continue to do so in 2021-22.

We purchased extra computer hardware to boost our remote access IT services. This enabled more staff to work at home where possible, and for those on duty, we arranged free food and drink offers as a small token of our appreciation.

One of the hardest periods of the year was losing three staff members to Coronavirus. Our thoughts remain with their families and their colleagues. We lost other staff members to illness in this year, too, and many staff lost loved ones to Covid-19 during this period. Those working on our receiving wards and in Critical Care witnessed the deaths of their patients in far greater numbers than they have previously known, which, understandably was difficult for them. Our support for all these staff members will continue for as long as they need it.

A moment that brought us considerable hope came in December 2020, when Peterborough City Hospital was chosen to be one of the first 50 Covid-19 vaccination hubs in the country to start the roll out of the biggest vaccination programme in the recent history of the NHS.

Vaccinations also began at Hinchingbrooke Hospital in mid-January, and, in the space of three months, our vaccination team had delivered more than 32,000 injections to our staff, local health and care colleagues and patients in the over 80s cohort. This was an amazing

Caroline Walker - Chief Executive Officer

effort by all involved, including our fabulous volunteers who were a vital support for those attending the clinics and helped ensure the process ran smoothly.

I would like to thank our patients, and their families, for their understanding of the way we have reconfigured our hospitals to run during the pandemic. This has resulted in restricted visiting, many outpatient appointments being conducted virtually and Covid-19 testing required ahead of planned treatments or procedures to help keep us all safe. A lot of these changes were inconveniences, but we do not underestimate the impact our 'no visiting' policy had on our inpatients and their families.

Our Patient Advice and Liaison Service set up a Patient Communications hub to help relatives keep in touch with their loved ones during their hospital stay and provided the opportunity to connect via email, or video call, where possible. We plan to relax visiting restrictions in May 2021 provided local infection rates are consistently low.

Our patients have actively supported clinical research trials – with 600 recruited to the RECOVERY trial to determine whether or not possible new treatments for Covid-19 were more or less effective than those used at the moment. This is a great example of how we are learning lessons from the pandemic.

In a similar vein, our staff have taken part in feedback sessions run by our organisational development team to tell us which elements of our pandemic response they think worked well (and not so well). We are aiming to use all that we have learned to find new or better ways to deliver services and care post-Covid-19.

This will be delivered as part of our Good To Outstanding staff engagement programme, which aims to make every day in our hospitals an outstanding one – for staff, patients, volunteers and visitors alike.

When setting out our strategy for 2021-22, our focus will be on re-setting our services and delivering robust plans to tackle the backlog of patients who sadly saw a delay in their care pathway during the periods of lockdown. We are also redoubling our efforts to reduce the health inequalities for our diverse population, which were, sadly, highlighted further by the impact of the pandemic on our Black, Asian and Minority Ethnic (BAME) communities in particular.

As we make our plans for the coming year, we are also mindful that our staff are perhaps not yet recovered, and so a key objective for the Trust will be continuing to support their recovery and rebuild their resilience.

While we have been fighting Coronavirus, I am pleased to report that we have also been able to deliver some significant strategic projects to improve patient care. This has included:

- Completing phase 1 of our redevelopment programme at Hinchingbrooke Hospital, which has provided expanded urgent and emergency care services.
- Moving all paper patient records at Hinchingbrooke to our Electronic Document Management solution so that all Trust patient records are now online.
- Starting the redevelopment of our urgent and emergency care facilities at Peterborough City Hospital, which has seen the opening of a new Surgical Assessment Unit, renovating our Resuscitation area and relocating our Discharge Lounge. Upon completion of the project in Q2 2021-22, we will see the Peterborough Urgent Treatment Centre relocated to our hospital site and a new Paediatric

Assessment Unit opened within our Emergency Centre.

- Obtaining approval for an Outline Business Case to create a new, purpose-built theatres block on our Hinchingbrooke site, to replace the theatres within the hospital which have reached the end of their operational life. This forms Phase 2 of our redevelopment works at Hinchingbrooke.
- Starting the planning and design of Phase 3 of the Hinchingbrooke Hospital redevelopment which will replace all remaining buildings on the site to create a new campus by 2035.
- Agreeing the sale of unused land at our Stamford Hospital site and redeveloping the site to include new car parking facilities.

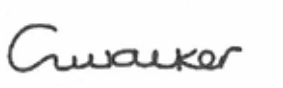
We have also been able to achieve a financial surplus of £0.1m for 2020-21, which is the second consecutive year we have shown a surplus.

This includes recognition of top-up income received to fund the Trust to break even in the first half of the financial year within the Covid-19 financial environment. In addition, the Trust delivered £3.6m of cost improvement savings. More information on our income and expenditure is available in the Annual Accounts at Section 2.

Our plans for 2021-22 will see the Trust develop within the new Integrated Care System for Cambridgeshire and Peterborough, which will be split into Integrated Care Partnerships (ICPs) for the north and south of our county.

Our role in the North ICP will see us working even more closely with local heath and care organisations to provide services that are locally delivered and better tailored to the diverse health needs of the communities we serve. I look forward to reporting back on the progress made this year.

As we look to a new year in our hospitals, we know that there is much to achieve in order to restore our services to pre-Covid-19 levels. But I am hopeful that, thanks to the continued dedication of our staff, our volunteers, our Board of Directors and our Council of Governors, and with the support of our patients and our integrated care system partners, we will make significant progress against our objectives in 2021-22 and emerge stronger and better as a result.



Caroline Walker
Chief Executive Officer
11 June 2021

A grateful family takes their mum and wife home after her battle with the Covid-19 infection at Hinchingbrooke Hospital

Our activity during 2020-21

The Trust has a total of
1,030
beds

tWe saw and treated
666,864
patients, that's around
1,827 patients
every day

Our Emergency Department teams saw
134,086
patients

We admitted
61,348
emergency patients

We delivered
25,952
therapy services

We carried out
4,379
planned operations

We undertook
32,157
day case procedures

We delivered
6,338
babies into the world

We handled
489,904
pew and follow-up
outpatient appointments

Our diagnostic imaging teams X-rayed or scanned
341,854
patients

We employ
6,971
staff

1,941
nurses

264
midwives

886
doctors and
consultants

487
volunteers aged between
16 and 91 gave
23,254 hours
of their time

SECTION 1

Performance Report

Overview

This section describes the development and performance of the operation of North West Anglia NHS Foundation Trust, as well as outlining its future direction. It incorporates the financial review of 2020-21 to provide a context for our future plans and sets out the key risks facing the Trust.

Who we are

North West Anglia NHS Foundation Trust is a statutory, not-for-profit, public benefit corporation. It runs three acute hospital sites – Peterborough City, Hinchingbrooke and Stamford and Rutland.

In addition, it delivers outpatient and radiology services at Doddington Hospital, the Princess of Wales Hospital, Ely and North Cambridgeshire Hospital, Wisbech. The Trust provides and develops healthcare according to the core NHS principles: free care, based on need and not ability to pay.

The Trust delivers acute care services to a growing catchment of approximately 850,000 residents living in Cambridgeshire, Lincolnshire and the neighbouring counties of Norfolk and Bedfordshire.

The main purchasers of our Trust's services are Cambridgeshire and Peterborough Clinical Commissioning Group and Lincolnshire Clinical Commissioning Group.

The Trust also services the local population for areas within, East Leicestershire and Rutland Clinical Commissioning Group, Bedfordshire Clinical Commissioning Group and Norfolk and Waveney Clinical Commissioning Group.

Across all of these areas, NHS England Purchase healthcare for specialised and national commissioned activity such as Cancer Services, Dental and Screening Programmes, as well as to provide healthcare for locally based Armed Forces and patients currently resident locally in Her Majesty's Prison Services.

Our hospitals

Peterborough City Hospital at Bretton Gate, Peterborough, is a modern, purpose-built facility which opened to its first patients in November 2010. The hospital has **678** inpatient beds and patients are cared for on modern wards with either single en-suite rooms or three to five-bedded ward areas, each with its own bathroom.

This affords our patients far greater privacy than before, and meets the NHS same sex accommodation criteria.

The hospital has a Haematology/Oncology Unit, including an expanded Radiotherapy Suite, an expanded Renal Unit, an Emergency Centre with a separate children's emergency department, a dedicated Women's and Children's Unit, a Cardiac Unit, a Respiratory Investigations facility and full Diagnostic Imaging facilities.

Hinchingbrooke Hospital is a **330-bed** district general hospital located at Hinchingbrooke Park in Huntingdon. The hospital opened in 1983 and provides a wide range of specialties including General Surgery, Ear, Nose and Throat, Ophthalmology, Orthopaedics, Paediatrics, Urology, Breast Surgery, Gynaecology and Vascular services.

The hospital has an emergency department, a maternity unit, a children's unit and the Macmillan Woodlands Centre – a £2.4m state-of-the-art centre for patients with cancer. Also on site is a modern Treatment Centre which opened in 2005 and facilitates a wide range of outpatient appointments. It has a 23-bed day treatment unit.

Stamford Hospital
Our hospital at Stamford has **22** inpatient beds on the John Van Geest ward and provides a range of outpatient clinic services, a Minor Injuries Unit, and a day case surgery facility.

The hospital also has a permanent MRI scanning suite on site, expanded facilities for blood taking and outpatient clinics, a new chemotherapy and lymphedema suite, an improved physiotherapy gym, new administration facilities and a refurbished health clinic facility.

Our staff

The Trust employs **6,971** staff, some of whom work across more than one of our sites. Approximately **106** staff are based permanently at Stamford Hospital, **1,939** work at Hinchingbrooke Hospital and a further **49** members of staff are based at the Trust's hospital sites in Doddington, Ely and Wisbech. The remaining **4,870** employees work at Peterborough City Hospital.

At Peterborough City Hospital Trust staff work alongside service provider partners Brookfield Multiplex, Medirest and Althea UK. They provide facilities management services, cleaning, catering, portering and medical equipment management.

At Hinchingbrooke, our teams are supported by colleagues from Mitie, who provide security, cleaning, grounds and garden services along with waste collection services.

Catering services at Stamford Hospital are provided by Mitie.

Our dedicated volunteers offer practical and emotional support to our patients, providing a helpful hand to our staff and a friendly face for our visitors. They are able to support the hospital in a number of ways from welcoming and directing visitors, giving out refreshments on the wards or chatting to patients.

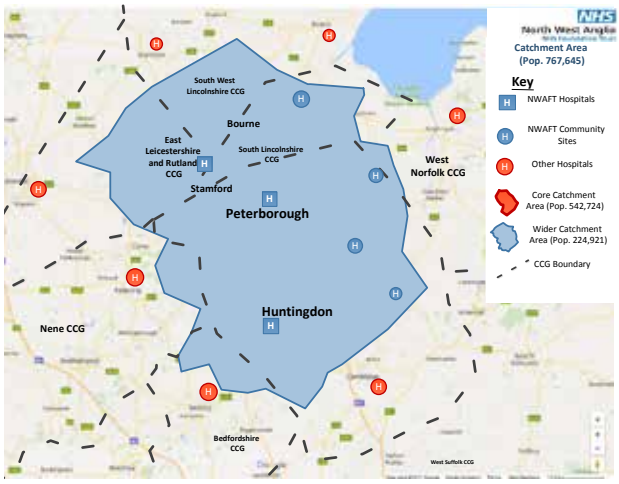
During the Covid-19 pandemic **170** volunteers contributed their time, skills and expertise freely to support our staff and patients on each hospital site. Examples of this include the delivery of PPE, the delivery of over 13,000 patient bags to wards, supporting the Pharmacy team seven days a week, supporting the vaccination clinics and greeting patients when entering the hospitals for outpatient appointments.

Currently in development are new volunteering roles which will continue to support our ongoing commitment to patients.

We look forward to welcoming back our volunteers and recommencing our recruitment programme over the next few months.

Key facts

The map to the right shows the location of our hospitals and the catchment areas we serve collectively.



In 2020-21, our regular activity in all areas was impacted by the changes put in place to support our response to the Covid-19 pandemic. As a result, in comparison to 2019-20, our activity across all key areas was reduced.

During the year, Trust staff saw and looked after 2,665 patients who had tested positive for Covid-19.

Our staff cared for a total of 489,904 patients in new and follow-up outpatient appointments at our hospitals. This compares with 622,620 patients in 2019-20, and represents a decrease of 21% in outpatient activity. This was expected in line with outpatient clinics being paused during wave one of the pandemic and subsequently delivered on a reduced scale for the remainder of the year to ensure social distancing measures were met. We significantly increased our capability to fulfil appointments over the telephone and via video call, where appropriate, to support as many patients as possible.

The total number of attendances to our two Emergency Departments (at Peterborough City and Hinchingbrooke Hospitals) and our Minor Injuries Unit (MIU) at Stamford Hospital in 2020-21 was 134,086 compared with 168,092 in 2019-20, which represents a decrease of20%.

Far fewer patients attended hospital for urgent and emergency care during wave one, attendances dropped to c.75% of normal levels but recovered to above pre-Covid-19 levels in the latter part of the year. During 20-21, the MIU at Stamford Hospital closed to manage Covid-19 pressures on our busiest two sites.

The number of emergency admissions was 61,348 compared with 69,745 patients, which represents a decrease of 12%. This is both linked to the reduction in overall attendances but is also as a result of expansion plans we put in place to increase our offer of Same Day Emergency Care (SDEC) to our patients.

These SDEC services see, treat and discharge patients for conditions which traditionally may have required an overnight stay in hospital.

The number of patients who attended hospital for an elective procedure (either as a day case or an overnight inpatient stay), reduced by 48% when compared to the previous year. During a large proportion of the year, non-critical operations were paused or delayed, as we have had to move staff to work in critical care and other urgent and emergency care services to respond to the pandemic.

We also had to introduce new pre-operative swabbing processes and procedures to minimise any Covid-19 infection risks for our patients attending for surgery. During 2020-21 we contacted every patient on our waiting list to discuss their waiting time, their current clinical need and their desire to go ahead or otherwise with their treatment.

These clinician and patient conversations helped us make sure we continue to treat the most urgent cases.

We have also seen a 3.5% decrease in the number of births across our two Maternity Units (6,338 in 2020-21 compared with 6,572 in 2019-20).

Additional data on our activity for the year is shown below:

Number of patients treated in 2020-21 (compared with 2019-20)

	2020-21	2019-20	Change
Elective inpatients	4,379	8,523	↓ 48%
Outpatient attendances	489,904	622,620	↓ 21%
Emergency Department attendances	134,086	168,092	↓ 20%
Emergency admissions	61,348	69,745	↓ 12%
Day cases	32,157	48,853	↓ 34%
Therapy Services attendances	25,952	36,608	↓ 29%
Diagnostic Imaging Examinations	341,854	424,447	↓ 19%
Births	6,338	6,572	↓ 3%

Operational performance

Due to the extraordinary pressures on operational services as a result of the Covid-19 pandemic, the NHS has had to rapidly transform how it delivers its services to maintain social distancing and manage the pressures of the Covid-19 pandemic on both our staff and our population.

National performance oversight arrangements led by NHS England and NHS Improvement have been revised during the pandemic period, recognising that many of the existing processes and targets within the NHS Constitution are not deliverable in the context of the Covid-19 pandemic. Many services were paused nationally during wave one to ensure the NHS could continue to provide all urgent and emergency care services without being overwhelmed.

Oversight of performance has still been in place, though we have been looking at different ways to measure the effectiveness and quality of care for our patients during the pandemic period. Some of these new areas of focus include the activity we have delivered compared to pre-Covid-19 levels, ensuring we return services as quickly as possible to reduce waits for our patients.

There has also been an increased focus on the scale of transformation implemented – from delivering services in different ways and different settings to manage social distancing, the increase of virtual appointments and patient initiated follow up services, as well as the implementation of clinical prioritisation in collaboration with patients.

Despite the challenges we have all faced, we have worked hard to maintain national performance standards where possible across all of our services. Some of our successes this year include:

- We achieved 95.2% four hour A&E performance at Hinchingbrooke Hospital, above the 95% standard. This was achieved despite an increase in overall attendances, estates reconfiguration works across our urgent and emergency care services and segregation of our footprint to safely look after both Covid-19 and non-Covid-19 patients safely.
- We saw improvements in performance for patients referred for cancer two week wait (Breast symptomatic). We delivered above the 95% standard in seven of 12 months during the year. While we still have more to do, this improvement trend comes on the back of extensive efforts to improve services for patients since 2019-20, during which we did not achieve the standard in any month.
- We implemented virtual appointments for first and follow up outpatients, delivering 40% of our activity in this way throughout the year.
- We maintained all cancer services, surgery, radiotherapy and chemotherapy throughout the year, with the number of patients now waiting in excess of 104 days for cancer treatment at its lowest level since September 2019.

Business Model

North West Anglia NHS Foundation Trust is a statutory, not-for-profit, public benefit corporation forming part of the wider NHS and providing healthcare and services.

We provide and develop healthcare according to core NHS principles, free care, based on need and not ability to pay.

The Trust is accountable to its local communities through Members and Governors; our commissioners through contracts; Parliament (in that we lay our annual report and accounts before Parliament); the Care Quality Commission (CQC), (through the legal requirement to register and meet the associated standards for the quality of care provided); and NHS England and NHS Improvement through the NHS provider licence.

NHS England and NHS Improvement's role as the sector regulator of health services in England is to protect and promote the interests of patients by providing services which are effective, efficient and economical, and which maintain or improve their quality.

The appointment of Executive Directors including the Chief Executive Officer is approved by the Executive Appointments Committee. This committee also appoints new Executive Directors, including the Chief Executive Officer in line with recommendations from the Remuneration Committee.

As a Foundation Trust, we are responsive to the needs and wishes of our local communities. Anyone who lives in the Trust-wide geographical area or works for our Foundation Trust can become a member. Members elect our Council of Governors, who appoint the Chairman and Non-Executive Directors and approve the appointment of our Chief Executive Officer.

The Board as a whole is responsible for decision making, while the Council of Governors, among other things, is responsible for holding the Non-Executive Directors to account for the performance of the Board and for representing the views of members to inform decision making.

> "I have visited the Emergency Department several times during lockdown with a couple of accidents and ongoing health problems. The staff that have taken care of me have been consistently excellent. People are too quick to complain, especially with what is going on in the world! Keep up the good work! Thank you for being friendly, caring and helpful."

Financial position

In 2020-21 the Trust recorded a £0.1m surplus, an improvement compared to a £0.4m surplus in 2019-20. The manner in which the NHS was funded during 2020-21 was unusual due to the Covid-19 pandemic.

Activity across many areas reduced during the year as national lockdowns deterred people from coming to hospital, and also due to our hospitals being busy with Covid-19 patients during the first and second wave of the virus.

Going Concern

There is no presumption of going concern status for NHS foundation trusts. Directors must decide each year whether or not it is appropriate for the NHS Foundation Trust to prepare its accounts on the going concern basis, taking into account best estimates of future activity and cash flows.

International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of services to another entity or has no realistic alternative but to do so. Further, the ongoing provision of services underpinned by Trust, and wider Integrated Care System longer term plans and strategies, support this principle.

Further, Management have considered the 2020-21 financial performance and position to inform the assessment:

- On an adjusted financial performance basis the Trust achieved a surplus for 2020-21 of £0.1m for the 2020/21 financial year;
- As at 31 March 2021 the Trust held a cash balance of £76.7m; and
- The Trust is not subject to any enforcement action with regards to finances.

North West Anglia NHS Foundation Trust's Board of Directors has carefully considered the principle of going concern. After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual. For this reason, the accounts have been prepared on the going concern basis.

Principal risks and uncertainties

At the end of the year the Trust had 19 high risks on its risk register. The Trust has mechanisms in place to manage overall risk, supported by a robust corporate governance structure and risk management policy. Further detail on this can be found in the Annual Governance Statement (Page 104), which also describes how specific risks are identified, assessed and mitigated as part of the risk management processes.

Work continues to review and develop its Risk Management and Board Assurance Frameworks. Oversight is provided by the Trust's Audit Committee who receive regular reports.

A revised Board Assurance Framework (BAF) is under development for 2021-22 and work continues to implement a revised risk register and reporting mechanism.

The Trust Board regularly reviews the risk register, strategic risks and BAF, which details the risks (with mitigation) to the delivery of the Trust's key objectives. The Annual Governance Statement also provides a high level description of the Principal Risks and Uncertainties facing the Trust. Examples of principle uncertainties facing the Trust against our strategic objectives include:

- Improving patient care and experience through recruitment and retention of high quality specialists with more realistic rotas, increased training and educational opportunities;
- Managing demand in acute and emergency services;
- The need for effective recruitment of substantive staff and a reduction in agency usage and associated costs. This would ensure reduced financial pressures, while increasing quality.

The top strategic risks to the Trust as of March 2021 were as follows:

- Risk to patient and staff safety at Hinchingbrooke Hospital due to old and non- compliant building.
- Risk of patient harm due to extended wait list due to demand, impact of pandemic and backlogs.
- The Trust does not sustain effective emergency and elective patient flow which may negatively impact on the responsiveness of services including waiting times, safety and patient and staff experience.
- Failure to recognise and deliver fundamental standards of care impacting on patient safety, experience and regulatory requirements.
- As a result of the ongoing impact of Covid-19, there is a risk that the Trust is not able to safely restore all local and specialist services to previous levels of capacity which results in increased waiting times and poorer outcomes and experience for patients.

Emergency Preparedness, Resilience & Response Report

Background

The overall responsibility for Emergency Preparedness, Resilience & Response (EPRR) rests with the Chief Executive Officer.

The Trust's Accountable Emergency Officer is the Chief Medical Officer, who represents the Trust at the Local Health Resilience Partnership.

Operational management is provided by the Head of Resilience & Emergency Preparedness (HREP). The HREP represents the Trust at local and regional forums, including those led by Public Health England, the emergency services and the Local Resilience Forum.

The HREP also takes responsibility for ensuring compliance with the Civil Contingencies Act (2004) (CCA), current NHS Emergency Preparedness, Resilience and Response (EPRR) guidance (2015), and other Government led guidance.

Compliance

The Trust remains compliant with the terms of the Civil Contingencies Act (2004) and the NHS England Emergency Preparedness Framework (2015), and is up to date with all exercise requirements.

The NHS England Emergency Preparedness, Resilience & Response Core Standards annual self-assessment took place in August 2020 but in an abridged format because of the constraints of the Coronavirus pandemic. The Trust claimed 'full compliance'.

After peer review with the Clinical Commissioning Group (CCG) and then submission to NHS England and NHS Improvement, 'full compliance' was confirmed and awarded.

Education

There was inevitable interruption to areas of the training and exercising programmes because of the constraints resulting from the pandemic. Mandatory training as part of the induction programme was maintained in line with the requirements of the Civil Contingencies Act, albeit in a virtual format.

Table-top exercises were delivered when required by NHS England and NHS Improvement around evacuation and the pandemic response.

Incident Activity

Coronavirus pandemic: the emergence of the Coronavirus pandemic resulted in the Trust's Pandemic Influenza Plan being declared live, and the EPRR team being committed to leadership of the Trust's Incident Co-ordination Centre (ICC) which was activated on 11 March 2020 and was still open on 31 March 2021.

The ICC is required to be in operation with EPRR presence every day, including weekends and bank holidays, for 10 to 12 hours per day. Additional staff were seconded to the EPRR team to help manage the pandemic response and maintain sufficient cover in the ICC.

European Union (EU) exit end of transition period: detailed risk assessments were undertaken around the key themes leading towards the end of transition period. No major issues were encountered though daily reporting to NHS England and NHS Improvement continued.

Hinchingbrooke Reinforced Autoclaved Aerated Concrete (RAAC) planks: the EPRR team worked closely with the Estates and Facilities team to manage the risk associated with the structure of the Hinchingbrooke Hospital building. A series of live evacuation exercises continue to be delivered on site for operational teams, in conjunction with emergency service colleagues.

An internal working group has been formed, led by EPRR, to ensure co-ordination across the work streams. The team is also engaged in local and regional groups.

Announcements, appointments and achievements

Covid-19: Remembering our staff
We announced, with great sadness, the loss of three staff members to Covid-19 in December 2020. The Trust payed tribute to Ward Clerk Dave Kemp, Healthcare Assistant Bernard Meriales and Outpatients Booking Clerk Debbie Carter.

Dave Kemp passed away at Addenbrooke's Hospital on 1 December. He was a well-loved member of the Acute Assessment Unit at Hinchingbrooke Hospital. He had returned to work 12 months earlier following a successful kidney transplant.

Bernard Meriales passed away at Addenbrooke's Hospital on 7 December. Highly regarded by colleagues, he was a popular member of the Ward A8 Team at Peterborough City Hospital.

Debbie Carter passed away suddenly at home on 27 December. Debbie was a much-loved member of the Outpatients Booking Team at Peterborough City Hospital. Her bubbly, fun- loving, positive personality meant she was a joy to work with.

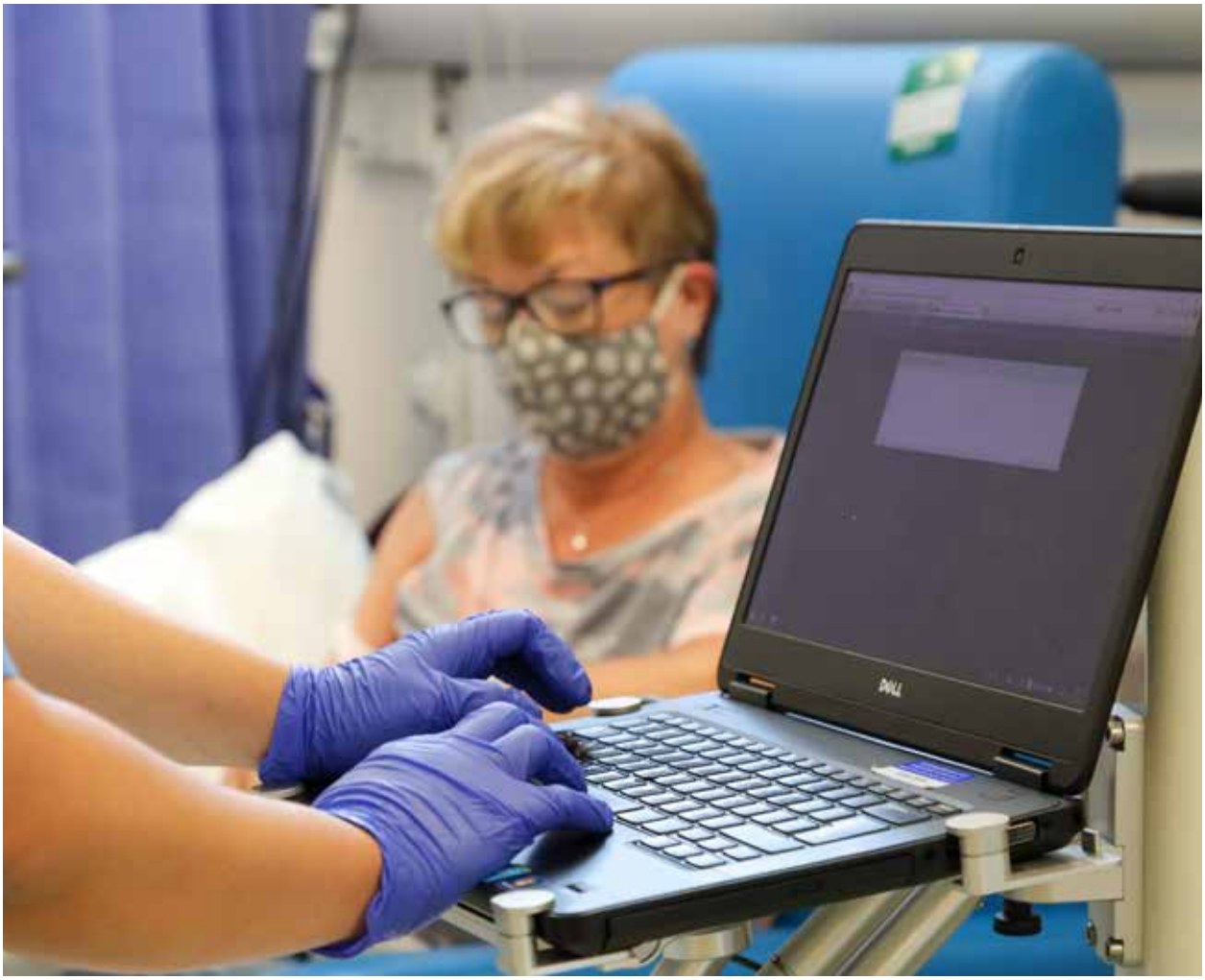
We sent our heartfelt condolences to Dave, Bernard and Debbie's families.

Bernard Meriales

Debbie Carter

Dave Kemp

Board Appointments:		
Dr Arshiya Khan	Chief Strategy & Transformation Office	6 April 2020
Dr Mark Sanderson	Non-Executive Director	3 August 2020
Dr Christine Hill	Non-Executive Director	1 January 2021
Joel Harrison	Chief Finance Officer	8 January 2021
Phil Walmsley	Chief Operating Officer	1 March 2021
Governor Appointments:		
Rob Gardiner	Huntingdon	1 April 2020
Richard Greensmith	Greater Peterborough	1 April 2020
Rebecca Neno	Partner Governor *	1 April 2020
Rebecca Wade	Greater Peterborough	1 April 2020
Bernard Weiss	Greater Peterborough	1 April 2020
Joe Wey	Stamford and South Lincolnshire	1 April 2020
*Rebecca Neno, Partner Governor, South Lincolnshire CCG, took over the role from Liz Ball who stepped down during her term of office.		



Visits

Care Quality Commission (CQC) unannounced visit

Peterborough City Hospital received an encouraging report from the hospital regulators following an unannounced inspection of our Urgent and Emergency Service at the end of December 2020. The CQC report identified the positive impact on leadership during the Covid-19 pandemic - however did not result in any change in the rating for the Core Service from the 2019 inspection, due to the limited scale of the visit, as two inspectors attended the Peterborough City Hospital site for a lighter touch inspection.

Notable News

Teamwork with Royal Papworth Trust

With a surge in demand for intensive care as patients became ill with Covid-19, clinicians at both Trusts worked with one goal, to provide the best possible care. The Trusts shared knowledge, staff and equipment to ensure patients received the treatment they needed. A great example of collaboration within the NHS, this way of working enabled us to provide additional resources, expertise and needs for our patients at a time of great pressure.

Patients recruited to Covid-19 research trial

The Trust was one of the first in the region to be selected to open a second randomisation to introduce Tocilizumab (an anti-inflammatory treatment) as a treatment for patients with progressive Covid-19.

Trust selected as vaccination hub

Peterborough City Hospital was selected as one of 50 vaccination hubs as the NHS began vaccinating patients against Covid-19 in December 2020 - the biggest immunisation programme in history. People aged 80 and over, as well as care home workers, were first to receive the jab, alongside NHS workers at higher risk.

Foundation Year doctors graduated early to fight Covid-19

In April 2020 the Trust welcomed Interim Foundation Year doctors who graduated early help fight the pandemic. The junior doctors assisted on general medical wards at Peterborough City Hospital so their more senior colleagues could treat Covid-19 patients.

Chief Medical Officer joined frontline

Dr Kanchan Rege joined the team on Ward B14 at Peterborough City Hospital as 'Consultant 2' to assist the care of patients diagnosed with Covid-19. Dr Rege, said: "I wanted to contribute to the clinical effort and play my part medically. The experience helped me understand what our staff did during the pandemic. I have a huge amount of faith and confidence in them which was confirmed after spending just one shift with them."

Patients play vital role in plasma treatment research

Patients at the Trust took part in a convalescent plasma study. Convalescent plasma is antibody-rich blood plasma donated by someone who has recovered from Covid-19. Initial findings were promising and the study showed that Dexamethasone, a drug used in a wide range of conditions to reduce inflammation, cuts the risk of death by a third for patients on a ventilator and one fifth for patients receiving oxygen. The Trust began implementing this treatment as standard during its treatment of Covid-19 patients.

Letters to Loved Ones launched

The Trust launched its 'Letters to Loved Ones' initiative to help family members and friends keep in touch with patients staying on our wards, as visitors were only allowed in exceptional circumstances. Messages and photos were sent to a dedicated email address, printed and delivered to patients.

Covid-19 helpline set up for relatives

The Trust set up a helpline dedicated to provide updates to relatives. The invaluable phone service was made available to relatives with loved ones on Covid-19 treatment wards at Peterborough City Hospital and Hinchingbrooke Hospital. Next of kin relatives were asked to be the point of contact for updates and to relay messages to other family members. This service was supported by our PALS team members as well as staff who were redeployed away from their clinical roles due to health reasons.

Thank you week

The Trust staged 'Thank you' week in December 2020 to honour the amazing efforts of staff during the first wave of the pandemic. Staff and volunteers received a personal letter of thanks from our Chief Executive Officer Caroline Walker and a commemorative Covid-19 response enamel badge. In addition, staff received a free Christmas lunch and other treats.

Accolades

Trust hospital named East Anglia's Training Hospital of the year

Peterborough City Hospital was named Training Hospital of the Year for East Anglia, by the Cambridge Trauma and Orthopaedic Club. This was in recognition of support given to Orthopaedic Trainee Consultants. The award is based on trainee feedback, educational quality and experience gained. The Orthopaedic Department was presented with the award at a virtual ceremony.

Trust wins titles in National Governance Awards

The Trust won two titles in the prestigious Chartered Governance Institute Awards in November 2020. Deputy Company Secretary Paul Denton was named Governance Professional of the Year, beating rivals from across the globe for the title.

We also won the Diversity and Inclusion Initiative Award for the development and implementation of our Ordinary Residency Policy. Trust Diversity and Inclusion lead Simon Howard actively involved patients from our Black, Asian and European communities, plus harder-to-reach groups such as refugees and asylum seekers, to improve our policy and process.

Dr Fiona Maxton appointed honorary visiting fellow

Dr Fiona Maxton, Lead Nurse for Research and Development, joined the faculty of Health, Education, Medicine and Social Care at the Anglia Ruskin University to provide research education and supervision. Fiona has a background in paediatric intensive nursing and education. Her PHD work has gone on to inform changes to the International Guidelines for Resuscitation.

> "I took my three year old daughter to A&E with croup. It was busy and we were prepared for a long wait but thankfully we were seen much more quickly than expected. The doctor and nurse who looked after us were lovely and kind, and they explained everything very clearly. They were also very sweet to my daughter. She has come away with very positive feelings about hospitals and doctors!"

Milestones

Peterborough City Hospital's 10th anniversary of opening

15 November 2020 marked 10 years since the City Hospital welcomed its first patients and began operating as an acute hospital serving the city of Peterborough and beyond. The site opened as a 612-bed facility offering state-of-the-art facilities, including a high-tech diagnostics unit, specialist cardiac and cancer treatments and an oncology and haematology unit. The Trust celebrated the milestone in a series of published articles that reflected the changes and improvements made to patient care in the previous decade.

Year 2000 Filipino nurse cohort celebrates 20 years

Tuesday 10 November 2020 marked the 20th anniversary of our first cohort of Filipino nurses first arriving in the city to care for patients. In November 2000, 36 nurses made the long journey from the Philippines to start a new life. Two decades on, 10 members of that original group still work at Peterborough City Hospital and are key members of the local Filipino community, which has grown considerably as more nurses followed their path in the years to come.

New developments - Headlines

- Public invited to participate redevelopment plans at Hinchingbrooke Hospital
- Text message feedback to the Emergency Department launched
- Orthopaedic service at Stamford & Rutland Hospital expanded
- New heartbeat recording technology launched
- Emergency Triage System started up at Peterborough City Hospital ED
- Drive-through respiratory clinic created in response to pandemic
- First virtual Board and Annual Public Meetings set up
- Staff collect 2,000kg of goods for community foodbanks at Christmas

NHS Improvement enforcement requirements

In April 2020 the Trust was notified by NHS Improvement that it was in breach of its Terms of Authorisation, with respect to conditions FT4(5) (a) to (h), and FT4(6) (a) to (f). The conditions specifically relate to:

- Operational Performance
  - » 4 Hour Access Standard;
  - » 18-week Referral to treatment (RTT)
  - » 62 day cancer standard
- Quality
  - » Requires Improvement rating on Well Led domain in 2018; and
  - » Risk assessments and management in the 2019 report.

The Trust agreed to:

- Take all reasonable steps in order to meet its projected operational performance and achieve sustainable compliance with the 4-hour A&E standard.
- Take all reasonable steps to recover and sustain performance against the 18-week Referral to Treatment Standard.
- Take all reasonable steps to recover and sustainably maintain performance against the eight national cancer standards.
- Take all reasonable steps to address the concerns identified in, but not limited to, the CQC Report dated December 2019.
- Implement sufficient programme management and governance arrangements to enable delivery of agreed undertakings.

In August 2020 a formal review of undertakings was requested by the Trust. This was based upon the view that the Trust was in a position to review the current undertakings and could demonstrate significant progress on all aspects of the improvements that were contained in the April 2020 letter. The Trust's request was also based on evidence of performance against the Trust's peers who did not have any enforcement notices.

Following review by NHS England and NHS Improvement, the position regarding enforcement remains unchanged. The Trust continues to discuss review and removal of the undertakings with the regulators.

Improving experience for patients, visitors and staff

Survey data and inviting feedback through a variety of channels is hugely important in helping the Trust identify areas for improvement, and enhance experiences for patients, visitors and staff. Where surveys or feedback shows us that we could be doing more, action plans are developed to track progress in implementing changes that area based upon what patients and staff tell us.

Feedback in 2020-21 was heavily influenced by the theme of Covid-19. The Trust set up specific feedback mechanisms for staff to share their views on the operational processes they thought worked well, those that could have been better and what processes or services they thought had value to continue post pandemic to improve care delivery or patient/visitor/staff experience.

This staff feedback programme, called Your Voice Matters, was delivered under our staff engagement programme Good To Outstanding and will continue in 2021-22. Staff contributed via online surveys, group sessions via MS Teams and submitting their comments to a dedicated email inbox.

The main themes from this feedback include, staff health and wellbeing, patient pathways, care quality and patient experience, education and redeployment, communications and equipment and supplies.

In addition to our Covid-19-specific feedback sessions, the Trust also surveyed staff via the 'Have Your Say' survey which is the Trust's in-house 'Cultural Barometer'. We conduct three surveys per year, which include key questions based on the Friends and Family Test metrics.

The fourth survey undertaken is the national NHS Staff Survey. In the 2020 survey (published in February 2021), 47% of our workforce (approximately 2,342 staff members) completed the national questionnaire.

The results from our local Have Your Say surveys, plus our National Staff Survey scores are used to form targeted action plans at both organisational and divisional levels. These will focus upon what we can learn from our top ranking scores and what we need to improve from our bottom ranking scores. This work is done in conjunction with our Staff Council, Staff Governors and Trust Partnership (staff side) groups.

More detailed information on the results of the NHS Staff Survey is available in the Workforce Report on page 69.

The Trust encourages patients and visitors to use the Friends and Family Test (FFT) patient satisfaction monitoring tool. However, for a large part of this year, this nationally-run initiative was paused at the onset of the pandemic in March 2020 and only resumed in December 2020.

The Trust has been able to introduce SMS responses for FFT participation in our Emergency Departments since the initiative was resumed. This has resulted in a much-improved take-up rate, with compliance growing to 20% from less than 2% previously.

Feedback to the Trust from patients and visitors in 2020-21 was dominated by issues related to Covid-19 and was co-ordinated by the Trust's Patient Advice and Liaison Service (PALS).

The greatest area of feedback concerned the restricted visiting guidelines put in place to reduce the spread of infection at the peak points of the pandemic. In response to this, the Trust set up a number of ways relatives could stay connected to inpatients, using email in its Letters To Loved Ones initiative, video calling and telephone calls. This service continues to run in Q1 2021-22.

Public support and interest

The Trust serves a growing population of more than 850,000 people and interacts with patients, the community and stakeholders in a variety of ways, both inside and outside its hospitals.

There are approximately 8,000 public members of the Trust (more details in our Foundation Trust membership section on page 100). They provide a great source of patient and community connection, feedback and learning and help provide an essential way by which the Trust can ensure it continues to 'put the patient at the centre of what it does'.

The Trust's aim is to increase involvement and communication with all these groups, to support improvement in the quality of care and service provided by our hospitals.

The Trust has developed its Patient Experience Group in 2020-21 to become a Patient and Public Voice Partnership. The membership of the group spans all hospital sites and is supported by our Patient Experience Team. This group has produced our Patient Experience strategy and provides valuable insight into ways we can improve our hospitals for patients and visitors.

Patient groups have also been set up in some specific service areas across the Trust - including Cancer services, Ophthalmology and Gastroenterology. These groups are supported by specialist nurses and/or service leads. They focus upon gaining service-user feedback to make patient-friendly improvements.

The Trust's army of volunteers has provided some specialist support during the pandemic. While many observed Government advice to shield or stay at home during the periods of lockdown, there were a smaller group who were assessed to work safely in our hospitals and provided invaluable support to help run our on-site vaccination clinics and assist patients by staying connected to their loved ones.

We were able to recruit some young volunteers to some specific posts during the pandemic which further boosted patient services during a very busy time. We hope to gain younger volunteers to these roles in 2021-22 as they have been popular with staff and patients alike.

The Trust has a dedicated programme of health promotion activity which is publicised to stakeholders via its growing social media channels. This is co-ordinated with NHS England Improvement, Public Health England and the Trust's local health and care partners.

Before the pandemic, health awareness events were staged in public areas of our hospitals to encourage patient and visitor participation. This activity is expected to resume once pandemic restrictions are fully lifted.

Regular communication with external groups ensures key decision-makers outside the Trust are kept informed of developments and can provide feedback to the Trust on major issues.

Trust Executive Team members have actively contributed this year to Peterborough City Council's Overview and Scrutiny Committee for Health, the Lincolnshire County Council Health Scrutiny Committee, and the Huntingdonshire Overview and Scrutiny Committee (Communities and Environment).

Topics discussed this year have focussed upon the Trust's response to the pandemic, the Hinchingbrooke Hospital redevelopment programme, the Stamford Hospital site development and the relocation of the Peterborough Urgent Treatment Centre to Peterborough City Hospital.

The Trust has focussed on providing more meaningful and relevant engagement through its public meetings. In 2020-21 public board meetings were switched to online events staged via Microsoft Teams platform, enabling members of the public the opportunity to watch the meeting safely from home. Questions relating to the agenda were requested to be submitted in advance and answered at the end of the meeting.

Members' meetings were not staged during the pandemic to allow staff to focus on operational priorities. However these will be resumed in 2021-22.

The Trust will continue to improve the quality of the public meetings and events it holds in 2021-22 as a way to further increase membership within our catchment area, and to encourage even more people to have their say on their local hospital services and how they are delivered.

It will do this via its Membership Engagement Committee, which is being refreshed for 2021-22, plus through the Engagement work streams of our Hinchingbrooke Hospital and Stamford Hospital redevelopment programmes.

More information on how we plan to grow our membership can be found in our Foundation Trust membership section on page 100.

Our Values and Strategy

All strategic planning at the Trust is underpinned by our values and behaviours. These were developed in conjunction with staff and are reflected in their day-to-day work with patients, colleagues and stakeholders. Patients know what to expect when they are cared for, and staff know what is expected of them in terms of how they treat patients and colleagues.

Strategy

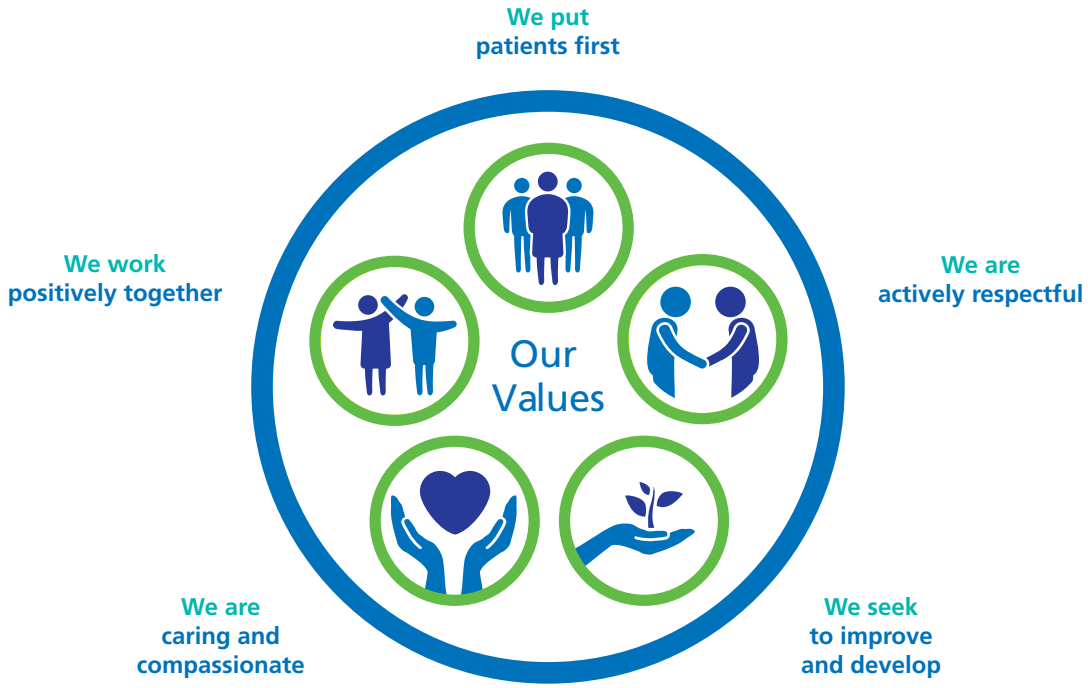
The vision for the North West Anglia NHS Foundation Trust continues to be 'Working together to be the best at providing outstanding care for local communities'

Our vision was developed by the Board with five supporting strategic goals which will be delivered through annual objectives. The vision and strategic goals are shown below

North West Anglia NHS Foundation Trust vision and strategic goals

Values
All staff are expected and supported to embody the Trust values in whatever they do; the Trust also supports staff in their work and expects them to receive the same respect and behaviours. The Trust's values were formed following consultation with governors, foundation trust members, patients, staff and other key stakeholders..

They are:



These values define what patients should expect when they are cared for at our Trust. They are used as part of our staff appraisal process in which all staff are required to demonstrate how they embody our values as part of their everyday roles. In addition, our values form a significant part of the Trust's recruitment processes.

Our Personal Responsibility Framework

Our Personal Responsibility Framework outlines the behaviours that demonstrate how we live our values to each other, our patients, visitors and colleagues across the Trust and wider healthcare community.

It describes the positive behaviours we expect to see but also outlines the negative behaviours we do not expect to see. It is just as important that we focus on 'how' we do things and not just 'what' we do.

Depending on the responsibilities of roles within the organisation staff are required to demonstrate additional leadership behaviours to create and support a positive culture throughout the Trust.

Good To Outstanding

Good To Outstanding is the name of our dedicated programme to help deliver improvements to life in our hospitals – for patients, staff, volunteers and visitors.

The programme was launched to staff in October 2019 is underpinned by five key work streams where improvements can be delivered.

These are:

- Outstanding Health and Wellbeing
- Outstanding Patient Care
- Outstanding People
- Outstanding Leadership
- Outstanding Communications

More information on the Good To Outstanding programme is available in the Workforce Report on page 69.

Objectives 2020-21

The Board of Directors and Council of Governors confirmed objectives for the financial year 2020/21. The objectives were agreed as part of the Trust's annual planning process.

The Board makes a distinction between strategic and operational risk, using the Board assurance framework (BAF) for the former and the corporate Risk register for the latter.

Board Assurance Framework

Strategic Goals	Annual Objectives 2020/2021	Measures	Progress against Measure
1. Delivering outstanding care and experience	1a. Create a foundation for an outstanding organisation	Approved Trust Transformation Programme linked to Quality, Service Improvement and Redesign (QSIR) and Sustainability and Transformation Partnership (STP) plans	Green
	1b. Improve CQC ratings within core services and across sites by March 2021	Well-Led KLOE within Critical Care and maternity core services to improve and increase ratings	Amber
		Overall 'Good' rating for Well-Led KLOE for the organisation	Amber
		Delivery of quality improvement plan for Maternity services in collaboration with NHSI team	Amber
		Delivery of 'must do' actions from 2019 CQC report	Amber
	1c. Achieve 50th percentile delivery of access and quality standards	No patient waiting more than 52 weeks for a planned procedure	Red
		Return to national reporting of waiting list and diagnostic performance by Q2 2020/21	Green
		6% reduction in face to face outpatient appointments in 2020/21	Green
		Deliver sustainable cancer performance including 70% of cancer diagnosis within 28 days	Amber
		30% of unplanned care services delivered same day	Amber
		Reduce emergency Length of Stay by 1 day	Red
		Deliver ED clinical quality indicators	Amber ↑
	1d. Hinchingbrooke emergency care expansion	Deliver phase 1 of project by the end of quarter 3	Green
2. Working together with local health and social care providers	2a. Deliver STP priorities through the North Alliance	Establish new transformative outpatient and diagnostic models with the North Alliance and STP	Green
		Agree integrated models for diabetes, respiratory and CVD pathways	Amber
		Agree a roadmap with clean outcomes for delivery of Integrated Neighbourhood Programme	Green
		Establish six monthly review of STP use of resources programme	Amber

Strategic Goals	Annual Objectives 2020/2021	Measures	Progress against Measure
3. Recruiting, developing and retaining our workforce	3a. Staff are engaged and feel valued	Staff engagement score improved to at or above NHS average	Red ↓
		Year 2 of G2O measured by staff survey scores for all 11 national themes at or above average for each theme	Red
		Sickness absence at Trust target of no more than 3.5%	Red
		Turnover of 10% or less	Green
	3b. Improved recruitment approach	Vacancy rate reduced to 5%	Amber
		Agency spend is <5% of pay bill	Amber
		Retention rate (stability index) of 85% across all specialties and staff groups	Green
4. Improving and developing our services and infrastructure	4a. Deliver 2020/21 IM&T improvements (All working to different timeframes due to Covid-19)	Extend K2 to Hinchingbrooke site with planned go live date of June 2020	Green
		Replacement of core network switch by August	Green
		Follow Me Windows desktop and rapid login by October 2020	Red
		Windows 10 and Office 2016 on all devices by December 2020	Green
		OrderComms - extend Peterborough ICE system to Hinchingbrooke site by June 2020 for diagnostic imaging and September 2020 for pathology tests	Amber
		Extend NerveCentre to Hinchingbrooke wards by March 2021	Green
		Harmonise Critical Care IT systems across both sites by March 2021	Red ↓
		Electronic Document Management to be extended across the Trust by March 2021	Green
		Merge and upgrade of the Trust telephone system	Amber ↓
	4b. Green travel plan implementation	Implement approved Green Travel Plan	Amber
	4c. NHS Plan environmentally sustainable service improvements	Complete a Green Fleet Review by March 2021	Green
		Ensure fleet vehicles purchased or leased by the Trust after 1 April 2020 support the transition to low and ultra-low emission (ULEV)	Amber
		Introduce electric car charging points on all three main sites by March 2021	Red ↓
		Revise car leasing schemes to restrict availability of high emission vehicles by March 2021	Green
		End business travel reimbursement for domestic flights within England, Scotland and Wales	Green
		Move to purchasing 100% renewable electricity from energy suppliers by April 2021	Green
		Continue rolling replacement of lighting with LED alternatives	Green
		All Trust new builds and refurbishment projects will be designed on the basis of net zero carbon standards	Red
		Remove all disposable plastic cutlery, plates, straws and stirrers by end of October 2020	Green
		Review use of Metered Dose Inhalers by March 2021	Green ↑
		Reduce carbon footprint associated with anaesthetic gases	Green ↑

Strategic Goals	Annual Objectives 2020/2021	Measures	Progress against Measure
4. Improving and developing our services and infrastructure	4d. Hospital site developments	Expand physical space around Emergency Dept. and Ambulatory Care at Hinchingbrooke site	Green
		Develop plans for increasing bed capacity and refurbish theatre at Hinchingbrooke site	Amber
		Complete full business case in Q1 to consolidate Cambridgeshire and Peterborough stroke and neuro rehab on Hinchingbrooke site	Red
		Sale of surplus land at Stamford and Rutland Hospital to enable future site development	Red ↓
		Complete full detailed survey of roof panels in all areas at Hinchingbrooke site	Green
		CT Replacement at Hinchingbrooke and Peterborough City Hospital sites	Red
		New MRI Suite and replacement of 2 Existing Units (Peterborough City Hospital)	Green
		Install UPS at Peterborough City Hospital	Red
5. Delivering financial sustainability	5a. Deliver high quality services within our agreed financial plan	Deliver financial plan in line with National Financial Framework	Green

The following table outlines the action taken against those measures highlighted as red.

Strategic Goal	Delivering outstanding care and experience
Annual Objective 2020/21	Achieve 50th percentile delivery of access and quality standards
Measure	No patient waiting more than 52 weeks for a planned procedure

During the first wave of the COVID pandemic, the Trust had to cease all non-urgent elective activity (day case and overnight stays) for several months (as per national guidance) to ensure that we could redirect resources to support non elective activity and critical care activity as a result of COVID. We also had to stand down some activity during the second wave though not as significantly as during the first as work on processes for pre-op COVID testing and running red/green theatres had already been completed and implemented which meant we could maintain a higher proportion of activity.

All patients on our waiting list were reviewed to determine their clinical priority, which has helped us to ensure those most urgent were seen first and those which had a condition which was less clinically urgent could wait longer. This has meant that overall our elective activity was down 48% when compared with 2019/20 levels and a number of patients have experienced longer waits and are now breaching >52 weeks. This is in line with the national position and we expect long waits to be a problem throughout 21/22.

Strategic Goal	Delivering outstanding care and experience
Annual Objective 2020/21	Achieve 50th percentile delivery of access and quality standards
Measure	Reduce emergency Length of Stay by 1 day

As a result of the COVID pandemic, we have seen an increase in our emergency length of stay for medical patients. The average LoS for COVID positive patients through 20/21 was 11 days, 2.5 times greater than our usual length of stay. We had a large volume of COVID inpatients both between April-July 20 and November-March 20 across NWAFT which significantly impacted on our overall LoS position.

In addition to this, the improvement schemes we had planned to deliver to further improve LoS across the Trust through pathway redesign activities were paused due to clinical and management capacity to lead on these schemes as a result of wider COVID and recovery priorities.

Strategic Goal	Recruiting, developing and retaining our workforce
Annual Objective 2020/21	Staff are engaged and feel valued
Measure	Staff engagement score improved to at or above NHS average

The staff engagement score in the 2020 staff survey was 6.9 against an NHS average of 7.0. given the impact of the pandemic, which has been worse for NWA than in some other parts of the country or even in C&P, it is not an expected drop and is only 0.1 down from the average. The Trust sought

feedback from staff after the first Covid surge and improved things like how decision were explained to staff in a major incident as a result. Turnover has also remain relatedly static during the 12months

Strategic Goal	Recruiting, developing and retaining our workforce
Annual Objective 2020/21	Staff are engaged and feel valued
Measure	Year 2 of G2O measured by staff survey scores for all 11 national themes at or above average for each theme

The 2020 staff survey scores across all the 10 themes (not 11 as in 2019) are all just slightly below the national NHs averages. Of the 10 themes the scores for 6 have dropped slightly, one has remain unchanged and three have improved: these are health and wellbeing, quality of care and safe environment (violence). The Trust has renewed its efforts to address the issues identified in the survey through the priorities for the Good to Outstanding work streams for 2021/2. Working with staff through staff networks and the staff councils will be key to this approach. Focus is on Outstanding People, Outstanding health and wellbeing, Outstanding Patient Care, Outstanding Leadership and Outstanding Communications.

Strategic Goal	Recruiting, developing and retaining our workforce
Annual Objective 2020/21	Staff are engaged and feel valued
Measure	Sickness absence at Trust target of no more than 3.5%

Sickness absence has increased during 2020/21 due to covid-19 and also to increased levels of stress and anxiety arising from the pandemic at work and at home. The Trust has provided increased and new access to counselling, occupational Health and to specialist clinical psychologists to help staff gain access to support as early as possible. In addition a Staff mental health pathway via CPFT is in place and is increasingly being accessed via referral by NWA staff. All staff should now be having regular wellbeing conversations with their managers.

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	Deliver 2020/21 IM&T improvements (All working to different timeframes due to Covid-19)
Measure	Follow Me' Windows desktop and rapid login by October 2020

Progress was reported as part of the year-end IM&T report for Digital Steering Group 15.04.21 and onwards at Finance and Digital Committee 20.04.21

The reported position was red with an action plan. The report reads "Ongoing, timescale extended to end of Mar 21 due to Covid-19. Solution in final testing stage. Pilot deployment to be in place in April. Wider rollout to follow early 21/22."

As at Month 01 this project is part of the agreed Covid recovery plans for IM&T.

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	NHS Plan environmentally sustainable service improvements
Measure	Introduce electric car charging points on all three main sites by March 2021

The electric charging points project is presently at scoping stage as there is no capital funding identified in the 2019/20, 2020/21 capital programmes. We're also awaiting green travel group sign off.

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	NHS Plan environmentally sustainable service improvements
Measure	All Trust new builds and refurbishment projects will be designed on the basis of net zero carbon standards

The Trust are implementing this requirement in the new Theatres project and will continue to do so for all new build projects. A green plan (SDMP) is due to be written before the end of June 2021for trust Board sign off.

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	Hospital site developments
Measure	Complete full business case in Q1 to consolidate Cambridgeshire and Peterborough stroke and neuro rehab on Hinchingbrooke site

The plans for creating stroke and neuro rehab facilities at Hinchingbrooke Hospital need to be revised by the ICS due to the capital being used for theatres at the hospital take priority for replacement to mitigate the RAAC risk.

Any future plans will require agreement in principle for capital by the ICS. In the meantime NWAFT is working with the CCG and CPFT to review Early Supported Discharge for stroke step down pts.

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	Hospital site developments
Measure	Sale of surplus land at Stamford and Rutland Hospital to enable future site development
A preferred bidder for the surplus land was identified in June 2020 with a development proposal synergistic with the health care focus of the site. Unfortunately, due to unforeseen complexities regarding archaeological considerations, the sale has been delayed but the Trust is working closely with the bidder, the land agents and solicitors to bring the sale to a successful conclusion in 2021- 22.	

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	Hospital site developments
Measure	CT Replacement at Hinchingbrooke and Peterborough City Hospital sites
This project is placed on hold as the original costs did not include all the necessary electrical and environmental works that are required.	

Strategic Goal	Improving and developing our services and infrastructure
Annual Objective 2020/21	Hospital site developments
Measure	Install UPS at Peterborough City Hospital
This project has been delayed due to Covid 19 alongside the other electrical projects in the Electrical settlement agreement. It is planned to have the new UPS deigned and build and installed by the end of August 2021 subject to agreeing the final works.	

Looking forward to 2021-22

Our teams have made extraordinary efforts over the past 12 months. It is just over a year since we started to treat our first patients with Covid-19 while continuing to deliver other essential services, maintaining cancer services and dealing with increases in urgent and emergency care.

The Trust delivered more than 30,000 Covid-19 vaccinations to staff and hit its target of offering the vaccine to all people in the over 80 year group. Data shows that the vaccination programme is having a significant impact on transmission rates and, coupled with the public's adherence to social restrictions, this means that hospitalisation rates have fallen in all our hospitals.

While this gives us cause for optimism, we do not yet know what the pattern of Covid-19 transmission will look like over the next 12 months and it is clear that the impact of the last year will be felt throughout 2021-22 and beyond.

As we rise to the challenge of restoring services, meeting the new care demands and reducing the care backlogs that are a direct consequence of the pandemic, we know that it has also taken its toll on our people. By supporting staff recovery, their health and wellbeing and improving workforce supply, we will restore services in a sustainable way.

The pandemic has shone a brighter light on health inequalities. We will take further steps to develop population health management approaches that address inequalities in access, experience and outcomes, working with our local partners across health, social care and beyond. To support this, our priority areas for tackling health inequalities are to work with our local partners to improve outcomes on respiratory, diabetes, cardiovascular disease and maternity services.

To achieve these goals, while restoring and recovering backlogs, will require us to do things differently, accelerating delivery against and redoubling our commitment to strategic goals agreed with our system partners in the Long Term Plan (LTP).

We have shown this year our ability to adapt, develop new services at scale and pace and made real strides in embedding digital approaches to patient care.

We will build on these improvements alongside the development of system working and collaboration.

In the year 2022

- Effective partnership working across systems will be at the heart of this and is fundamental to our Trust priorities for 2021-22.
- Recover safely – we will work with partners to fully recover services provide good quality care and experiences, while addressing health inequalities
- 'Celebrate and Support our staff' – we will celebrate our staff and successes and ensure we provide support to our staff and develop them for the future and
- Sustainability – we will work sustainably to further develop our services, finances and protect the environment.

Caroline Walker
Chief Executive Officer
11 June 2021

SECTION 1

Accountability Report

Directors' Report

Board of Directors

The Board of Directors is collectively responsible for the Trust's strategic direction, its day- to-day operations and performance.

The Board consists of seven Executive Directors and eight Non-Executive Directors. All Directors are appointed based on their expertise and experience. All Directors are also required to meet specified character standards including Fit & Proper Persons Test.

To ensure a balance of skills, the board regularly undertakes board skills reviews and takes this into account when recruiting new board members. Taking into account the wide experience of the whole board, the Trust believes that its membership is balanced, complete and appropriate. There is a clear division of responsibilities between the Chair and Chief Executive Officer which ensures a balance of power and authority.

The Board of Directors is collectively responsible for the Trust's strategic direction, effective leadership in its day-to-day operations and performance and to ensure the Trust is well governed in all aspects of its activities. The powers, duties, roles and responsibilities of Board members are set out in the Trust's Constitution.

As a unitary Board, all Executive Directors and Non-Executive Directors have joint responsibility for every decision of the Board of Directors and share the same liability. This does not impact on the particular responsibilities of the Chief Executive Officer as the Accounting Officer.

The Board of Directors is supported by the Company Secretary who attends board meetings in a non-voting capacity.

The current membership of the Board is shown on page 85.

Independence of the Non-Executive Directors

Non-Executive Directors are appointed by the Council of Governors. Following consideration of the *NHS Foundation Trust Code of Governance*, the Board takes the view that all the Non-Executive Directors are independent.

All Non-Executive Directors declare their interests and in the unlikely event that such interests conflict with those of the Trust, then the individual would be excluded from any discussion and decision relating to that specific matter.

Changes to Executive Directors

- Dr Arshiya Khan was appointed to the newly formed post of Chief Strategy and Transformation Officer, taking up the role on 6 April 2020.
- David Pratt, Director of Finance left the Trust on 31 December 2020. Joel Harrison took up post as Chief Finance Officer on 1 January 2021 following an external recruitment process. He joined the board in May 2020 as Acting Finance Director, having previously held the role of Deputy Director of Finance for the Trust.
- Graham Wilde, Chief Operating Officer left the Trust on 31 March 2021 with Mr Phil Walmsley being appointed as Chief Operating Officer taking up the role on 1 March 2021 to enable a handover process.

Changes to Non-Executive Directors

- Dr Mark Sanderson joined the Trust as a new Non-Executive Director on 3 August 2020.
- Dr Christine Hill joined the Trust on 1 January 2021, replacing Sarah Dunnett, Non- Executive Director who left the Trust on 31 December after serving the maximum three terms equalling nine years' service.

Executive Directors and Corporate Management Structure

See structure chart below.

Corporate structure chart

Caroline Walker
Chief Executive Officer

Dr Kanchan Rege
Chief Medical Officer/Deputy Chief Executive

- Medical Education
- Emergency Planning
- Legal Services

Jo Bennis
Chief Nurse and Director of Infection Prevention and Control

- CQC and Care Quality
- Patient Experience
- Patient Safety
- Quality Governance and Compliance
- Non-medical education
- Infection prevention and Control
- Safeguarding
- Safer Staffing
- Quality Service Improvement Redesign
- Complaints and Clinical Risk
- Corproate Matrons
- Nursing and Midwifery Recruitment/Retention
- Research and Development

Joel Harrison
Chief Finance Officer

- Financial Management
- Financial Services
- Information Management and Technology
- Cost Improvement
- Contracting
- Procurement
- Information Governance

Phil Walmsley
Chief Operating Officer

- Estates and Facilities
- Performance
- Quality Service Improvement Redesign (QSIR)
- Emergency and Medicine Division
- Surgery Division
- Family and Integrated Support Services Division
- Maternity Division
- Capacity and Flow

Louise Tibbert
Chief People Officer

- Employment Services/Recruitment
- HR Business Partners and Advisory Service
- Learning and Development
- Organisational Development
- Equality, Diversity and Inclusion
- Health and Safety and Security
- Occupational Health
- Medical Staffing and Education

Dr Arshiya Khan
Chief Strategy and Transformation Officer

- Strategy and Transformation
- Planning
- Major Projects
- Integrated Care System - North Alliance

Taff Gidi
Company Secretary and Head of Corporate Affairs

- Communications
- Corporate Governance
- Executive Support
- Freedom To Speak Up
- Heritage and Artworks

Board of Directors' Biographies

Chairman
Mr Robert Hughes

Appointment start date 1 April 2017; Appointment end date 31 March 2022

Rob served as Chairman of the former Peterborough and Stamford Hospitals NHS Foundation Trust from 1 April 2013 to 31 March 2017. A former Managing Director of Mars Food UK, he has wide experience in national and international strategic development, and all aspects of sales, marketing, manufacturing, logistics, financial management, mergers and acquisitions. He is a co-founder and Chairman of Anna's Hope, the children's brain tumour charity and a Trustee and Deputy Chair of Brain Tumour Research. Rob chairs the Trust's Strategy and Transformation Committee and is a member of the Cambridgeshire and Peterborough STP Board.

Non-Executive Director and Deputy Chairman – Ms Beverley Shears

Appointment start date 1 April 2021; Appointment end date 31 March 2024

Beverley has been appointed Deputy Chairman and her term of office has been extended for a second period from 1 April 2021 to 31 March 2024. Beverley has a strong background in organisational change and transformation at board level in private and public sectors, in transport, justice and health. She was HR Director and Deputy Managing Director at Stagecoach South West Trains, Group HR Director at Ministry of Justice and Director of Offender Management East Midlands. Beverley was also Head of Customer Experience for the Olympic Delivery Authority and prior to joining the Board, was a Non-Executive Director at Lincolnshire Partnership NHS Foundation Trust. She is a Member of the British Transport Police Authority, Independent Governor of De Montfort University and is the Advisor to the States of Jersey Employment Board. Alongside this, Beverley owns her own business, Blue Amaranth Consulting Ltd, which specialises in board level coaching, transformation, change and organisational effectiveness. She chairs the Trust's Remuneration Committee and the People and Culture Committee. She is also the lead NED for Equality, Diversity and Inclusion.

Non-Executive Director Ms Mary Dowglass

Appointment start date 1 April 2018; Appointment end date 31 March 2021

Mary is a registered nurse with a career spanning community and acute care and nurse education. She has worked as CEO for an international charity which provides health services in Kenya and Central Asia, including Afghanistan. While in this role she established midwifery and post graduate medical education programmes.

In the UK she has worked for Macmillan Cancer Support, leading on cancer workforce strategy and cancer services development, in partnership with NHS and Local Government organisations. Mary was Director of Nursing for the former Peterborough and Stamford Hospitals NHS Foundation Trust until 2002 and a Non-Executive Director for the Lincolnshire Partnership NHS Foundation Trust. Mary chairs the Trust's Charitable Funds Committee.

Non-Executive Director Mr Mike Ellwood

Appointment start date 1 April 2017; Appointment end date 31 March 2023

Mike was a Non-Executive Director of Peterborough and Stamford Hospitals NHS Foundation Trust from 12 May 2016 to 31 March 2017. He has more than 30 years experience in corporate banking and worked at Santander UK PLC where he was Head of Corporate and Commercial Banking until September 2018. He also held senior roles at RBS and NatWest.

He has extensive experience in mergers and acquisitions at corporate level and as a provider of finance to large companies. He has led significant transformation programmes and established Santander Corporate and Commercial as a strong player in the UK market, with revenues of £750m. He is used to working in a demanding regulatory environment and leading cultural change. Mike chairs the Trust's Audit Committee and holds a portfolio of Non-Executive Director roles in other organisations.

Non-Executive Director Mr Ray Harding

Appointment start date 1 April 2018; Appointment end date 31 March 2024

Ray brings a wide range of financial and commercial experience to the board from his previous roles, which have included Chief Operating Officer for UCL Qatar, where he set up the new campus. Prior to that, he was Director of Estates Administration for University College London (UCL) and Managing Director of multi-national subsidiaries in Nigeria, Egypt and Zambia.

Ray is a Non-Executive Director of the Futures Housing Group and Salford Primary Care Together CIC. He also served as a Lay Member on the Board of West Leicestershire Clinical Commissioning Group. He is a Chartered Accountant and chairs the Finance and Digital Committee.

Non-Executive Director - Dr Christine Hill

Appointment Start Date 1 January 2021; Appointment end date 31 December 2024

Christine is a public health physician and has worked for the NHS in the East of England for the past 14 years. During a career in healthcare spanning 40 years, Christine has practiced as a hospital clinician and a GP, and, after doing an MBA, worked as a senior hospital manager and executive director in the public and private healthcare sectors in South Africa and the UK.

She has extensive experience in organisational leadership and strategy, quality assurance, clinical governance and business and operational management. Christine teaches health policy on the MPhil in Public Health at the University of Cambridge, where she holds an honorary post of Affiliated lecturer. She holds Masters Degrees in Business Administration, Law (Legal Aspects of Medical Practice), Public Health, and is a Fellow of the Faculty of Public Health of the Royal College of Physicians.

Non-Executive Director – Dr Mark Sanderson

Appointment start date 3 August 2020; Appointment end date 2 August 2023

Mark was a GP in St Ives for 17 years and has more than 11 years' experience as an NHS Medical Director. He was Medical Director for NHS Cambridgeshire and Peterborough Clinical Commissioning Group until January 2020. Prior to that he was Deputy Regional Medical Director for NHS England (Midlands and East). As well as being a NED, Mark is Deputy Medical Director at Hertfordshire Community NHS Trust.

During his career he has held a number of responsible NHS roles, including GP trainer, NHS England Responsible Officer, and a GMC Performance Assessor. He is Provost of the East Anglia Faculty of the Royal College of General Practitioners. Mark's expertise as a former GP and his work as a medical director across the region will be especially valuable to the Trust.

Non-Executive Director and Senior Independent Director – Mr Gareth Tipton

Appointment start date 1 April 2017; Appointment end date 31 March 2022

Gareth was a Non-Executive Director of Peterborough and Stamford Hospitals NHS Foundation Trust from August 2014 to 31 March 2017. Gareth has more than 20 years' experience in IT and telecommunications, operating at board level across a range of public and private sector organisations. He is Global Chief Compliance Officer with Softline Group. Prior to that he held various senior positions at BT plc from 2004 to 2020. He has also served as Board Director at BT Law and EE Ltd.

Executive Directors

Chief Executive Officer Mrs Caroline Walker

Caroline was appointed Chief Executive Officer on 1 October 2018. Prior to her appointment, Caroline was Deputy Chief Executive and Director of Finance of the Trust and Project Director for the merger with Hinchingbrooke Health Care Trust. Her career in the NHS dates back to 1982. She was Chief Operating Officer at Loughborough University and led the London 2012 Olympic Team GP training Camp and torch relay delivery. Prior to joining the Trust she has also worked at the University Hospitals of Leicester NHS Trust, Great Ormond Street Hospital, Barts and the London NHS Trust.

Chief Medical Officer and Deputy Chief Executive Officer Dr Kanchan Rege

Dr Rege was appointed Deputy Chief Executive Officer on 1 April 2019. She became Chief Medical Officer of the Trust on 1 April 2017 and was the Chief Medical Officer of the former Peterborough and Stamford Hospitals NHS Foundation Trust from August 2015 to 31 March 2017. She oversees the management of the Trust's consultant body and doctors in training.

Prior to her appointment, Dr Rege was a Consultant Haematologist. She continues to work in that capacity for one day each week, seeing patients in her clinic at Peterborough City Hospital. She trained in London and began her career at Hinchingbrooke and Papworth

Hospitals in 2000. She was appointed Clinical Lead for Cancer and Specialist Care at Peterborough and Stamford Hospitals in 2008 and Clinical Director of the Cancer and Diagnostics directorate in 2012. She led the development of radiotherapy services, bringing this treatment to the local population.

Chief Finance Officer Joel Harrison

Joel joined the Board of Directors as Chief Finance Officer in January 2021. He was previously Acting Chief Finance Officer and Deputy Director of Finance. Joel is responsible for Finance, Procurement and Information Management and Technology. Prior to joining the Trust, Joel worked at NHS Improvement and Cambridgeshire and Peterborough Sustainability and Transformation Partnership, where he worked on a local health system- wide finance strategy. He also worked for KPMG.

Chief Strategy and Transformation Officer – Dr Arshiya Khan

Dr Arshiya Khan joined the Trust in April 2020 to lead the development of the strategy to support the vision of 'Working together to be the best at providing outstanding care for our local communities'. Before returning to Cambridgeshire where she brought up her family, Arshiya was Chief Operating Officer at the London North West University Healthcare NHS Trust. She has a wealth of NHS experience, including a varied portfolio that spans governance, regulations, primary care and commissioning. Arshiya has held senior operational roles in complex multi-site organisations and has led service and performance improvements while reconfiguring large-scale services across primary and secondary care.

Chief People Officer – Mrs Louise Tibbert

Louise joined the Trust on 30 April 2018. Prior to her appointment she had been Director of Workforce and Organisational Development at the University Hospitals of Leicester NHS Trust since 2015. Louise has worked in local authorities in Cambridge, Cambridgeshire and Hertfordshire since 1988, and spent three years prior to that in the private sector. Louise was also the national President for the Public Sector People Managers Association in2014-15 having been on the Board for some years. Professionally qualified in 1990, Louise is passionate about working in organisations that provide good quality public services and developing excellent workforce teams that support delivery of services to patients and local communities. Louise's priorities for the Trust include talent management, health and wellbeing as well as recruitment and retention. She returned to live in Rutland in 2015, after 30 years living in and around Cambridgeshire.

Chief Operating Officer – Mr Graham Wilde

Graham joined the Trust on 1 April 2019 and left on 31 March 2021. Prior to joining the Trust Graham was Chief Operating Officer at James Paget University Hospital NHS Foundation Trust in Norfolk. He joined the NHS in 1999 following 12 years in the RAF as an engineer and eight years as a Baptist minister.

Chief Operating Officer – Mr Phil Walmsley

Phil joined the Trust on 1 March 2021 from London's Great Ormond Street Hospital, where he was Interim Chief Operating Officer. He takes over responsibility for operational activity at the Trust's hospitals. Phil began his NHS career as a nurse and has held a variety of leadership roles in NHS trusts, including University Hospitals of Leicester, Nottingham University Hospitals and Walsall Manor Hospital. Prior to joining Great Ormond Street, he was Director of Operations and Deputy Chief Executive at Weston General Hospital and Interim Director of Operations at Hinchingbrooke Hospital.

Chief Nurse – Mrs Joanne Bennis

Jo was appointed Chief Nurse of the Trust on 1 April 2017. She was Chief Nurse of Peterborough and Stamford Hospitals NHS Foundation Trust between February 2015 and 31 March 2017 and Deputy Chief Nurse prior to that. Jo began her nursing training in Peterborough and brings more than 30 years' nursing experience to the role. She is responsible for non-medical professional practice, clinical quality and organisational change in the interests of patient care. Jo advises on nursing, midwifery and allied health professional issues, and is the professional head of the nursing service and non-medical professional workforce. She takes the lead in delivering effective, safe clinical care and experience and has joint responsibility with our Chief Medical Officer for the clinical governance agenda. She was Peterborough and Stamford Hospitals NHS Foundation Trust's first clinical educator and developed the research team in partnership with the Medical Director.

Company Secretary & Head of Corporate Affairs - Mr Taff Gidi

Taff joined the Trust in July 2019. He brings a broad range of experience including Company Secretary at Cambridgeshire Community Services NHS Trust. He previously held roles in financial services, higher education and housing. He is currently a Non-Executive Director and Chair of the Finance, People & Premises Committee at Spring Common Academy. Taff is a Fellow of ICSA: The Chartered Governance Institute. He also holds a master of laws specialising in corporate governance. He is a qualified Executive Coach and is currently studying for an MSc Coaching and Behavioural Change at Henley Business School. In his spare time, Taff is an Assistant Scout Leader.

Required Disclosures

Income disclosure

As required by section 43(3A) of the NHS Act 2006, the Trust can confirm that income received from other sources has had no impact on its provision of goods and services for the purposes of the health service in England

Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with the supplier. The Trust's compliance with the code is set out in the notes to the accounts.

Compliance with cost allocation and charging guidance

Better payment practice code	Actual 31/03/2021 YTD Number	Actual 31/03/2021 YTD £'000
Non NHS		
Total bills paid in the year	76,536	319,553
Total bills paid within target	73,535	311,481
Percentage of bills paid within target	**96.1%**	**97.5%**
NHS		
Total bills paid in the year	3,195	27,093
Total bills paid within target	2,912	25,561
Percentage of bills paid within target	**91.1%**	**94.3%**
Total		
Total bills paid in the year	79,731	346,646
Total bills paid within target	76,447	337,042
Percentage of bills paid within target	**95.9%**	**97.2%**

Compliance with cost allocation and charging guidance

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

Statement as to disclosure to auditors

As far as the Directors are aware, there is no relevant audit information of which the Trust auditors are unaware. The Directors have taken all steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that Trust auditors are aware of that information.

Donations

There were no political or charitable donations to disclose.

Overseas operations

The Trust does not have any areas of overseas operation

Cost Improvement Programme

The CIP target for the Trust was set at £3.7m.

This year the Trust delivered cost improvements of £3.632m, and was on target to deliver the full value by year end. The under delivery of £81k was due to the effects of using the first two months of the year to re-plan the budgets.

This meant the CIPs were factored into the budget and savings could not be realised via the CIP plan. This specifically impacted on the Family and Integrated Support Services Division's CIP plan linked to their pathology improvement plans.

Service Improvements

Development of a Quality, Service Improvement and Redesign (QSIR) faculty

The Trust has committed to the development of a QSIR faculty, which is a recognised training programme run by NHS England and NHS Improvement.

The QSIR methodology will underpin the Trust's Good to Outstanding Programme, encouraging and supporting staff to identify and manage ways to improve their services and to be involved in key service redesigns.

Three members of staff completed the QSIR Associate Programme and passed the written assessment. The final assessment has been put on hold with NHS England and NHS Improvement due to Covid-19 and the social distancing restrictions.

Work is currently underway to seek support from other QSIR Faculties in the area and to link with our local system partners to develop a more collaborative QSIR faculty which will enable sharing of resourcing and training of staff across different disciplines and organisations.

Benefits: Training and development of staff to improve services at a local level, and wider within the Cambridgeshire and Peterborough systems. Underpinning the Good to Outstanding Programme and recruitment and retention of staff.

Planned Care Service Improvements

During the Covid-19 pandemic, support was given to the out-patient services to implement a new Referral Assessment Service for GP booking, which will enable referrals to be assessed for the correct clinic and, where appropriate, advice and guidance given.

Video appointments were implemented during this time and switching from face to face appointments to telephone and video appointments was encouraged. This was in line with the NHS Long Term Plan and the requirements for social distancing within our hospitals.

A pilot of digital letters was undertaken successfully with Dr Doctor Software. This will be rolled out across all specialties at the Trust in the coming year. Other planned care improvements include the virtual Glaucoma clinics at Peterborough City Hospital and commencement of the see and treat carpal tunnel clinic.

Plans continue for the see and treat skin lesions clinic and the Trust is working closely with primary care and the CCG for a Teledermatology pilot. During the recovery phase of the first wave of Covid-19, a pilot for developing hot and cold sites for orthopaedics was introduced.

Benefits: Support to clinical and administration teams to develop services to reduce delays, improve outcomes and support the recovery of services as a result of the pandemic.

Integrated Care Pathways

The Transformation team is working with the North Alliance and system partners to develop more integrated pathways, focussing initially in the Fenland area. These pathways include an integrated community cardiology model, skin health, diabetes, respiratory and falls/frailty.

Benefits: System support around key service developments to ensure adequate capacity and capability in the wider system and to reduce health inequalities.

Estates

Work was undertaken to design a new Ambulatory Care Unit at Hinchingbrooke Hospital, expand the Acute Assessment Unit and develop Rapid Assessment and Triage bays. This work also included a dedicated paediatric area in the Emergency Department. Work is now underway to design and re-build main operating theatres.

Benefits: Improved facilities for the emergency floor at Hinchingbrooke Hospital and modern operating theatres which will enable improvements in productivity and efficiency.

Support to Medical Director on Getting It Right First Time (GIRFT)

The Trust appointed a Deputy Medical Director who has taken a key role in driving forward delivery of the GIRFT programme and embedding it into service recovery and improvement plans.

GIRFT visits were initially paused at the beginning of the pandemic, but further specialties are now working towards GIRFT recommendations, including Gastroenterology, Trauma and Orthopaedics, Plastics and Pathology.

The Project Board resumed, along with a focused review of all existing GIRFT, specialty plans and follow up meetings to help drive forward and embed change. Particular progress was made in coding across all specialties and learning from litigation claims.

> "I had a colonoscopy at Hinchingbrooke and feel compelled to comment on how good all the staff were at making me feel at ease. Thank you to all our NHS workers for the fabulous job they do."

Care Quality Commission

Following the inspection by the Care Quality Commission (CQC) in July to September 2019, a comprehensive action plan was compiled in December 2019 on receipt of the final report and in response to the recommendations made.

A total of 59 recommendations (38 'MUST' and 21 'SHOULD') were made. The governance mechanism for check and challenge was enacted between the Corporate Nursing team and the Clinical Divisions which included monthly meetings to review progress and evidence against actions completed.

A number of actions were completed at the beginning of the financial year 2020-21 and good progress against the recommendations was made during the year. These are outlined in the Trust's Quality Account which is available on the Trust website.

Completion of some of the actions was impacted by the Covid-19 pandemic. The few actions that remained outstanding at the end of March 2021 will be monitored in 2021-22. These will be prioritised for completion as the Trust emerges from the pandemic's second wave.

The Trust's Hospital Management Committee and Quality Assurance Committee provided assurance to the Trust Board on the progress against the action plan. During the year, the Trust developed a close working relationship with the CQC Relationship Officer appointed to work with the Trust.

The Chief Nurse and Care Quality team maintained regular telephone contact with the Relationship Officer and held face to face meetings every four to six weeks. They also shared data on a weekly basis that related to serious incidents, complaints and issues of concern.

The meetings reviewed progress against the CQC action plan and discussed areas of good practice, concerns or issues that should be raised with the CQC.

These collaborative meetings were pivotal in developing and maintaining a strong, honest and open relationship with the CQC. The Trust was commended for its responsiveness to urgent enquiries received and our transparency in informing the CQC team of such potential issues.

Due to the Covid-19 pandemic, the CQC altered the way it monitors Trusts. It produced focussed guidance on specific areas of interest for the Trust to respond to and provided evidence against. This formed the subject for focussed review meetings between the CQC inspection team and the Trust.

Examples included infection prevention and control, urgent and emergency care, maternity, RESPECT forms and cancer care. The Trust participated fully in each of these reviews.

On 21 December 2020, a small team from the CQC undertook an unannounced inspection in the Emergency Department at Peterborough City Hospital. The purpose of their visit was to review our response to winter pressures. The CQC published the final report on 24 February 2021 which included the following recommendations:

- As patients were not cohorted in corridors at times of peak pressure, patients were held on ambulances due to capacity issues within the wider hospital.
- People could not always access the service when they needed it. Waiting times from referral to treatment and arrangements to admit, treat and discharge patients were not in line with national standards.
- Leaders and teams used systems to manage risk, however performance issues that impacted on the quality and safety of care remained.

The report also stated that the inspection team had observed how positively the Emergency Department team responded to winter pressures, and focussed specifically on patient safety, infection prevention and control, patient flow, workforce leadership and culture.

The inspection was not rated and therefore there was no change to the overall rating for Urgent Care at Peterborough City Hospital.

Work continued to drive the development of quality care across the Trust the continued the roll-out of the Trust's ward accreditation scheme 'CREWS'. This is aligned to the five CQC lines of enquiry:

- Caring
- Responsive
- Effective
- Well-Led
- Safe

Unfortunately, due to the Covid-19 pandemic, the assessments were postponed for large parts of the year. However plans are underway to re-commence these in 2021-22 as the Trust emerges from the second wave.

Outcomes from those assessments are reviewed within the Divisions and overseen by the Hospital Management Committee and the Quality Assurance Committee, the latter of which is chaired by a Non-Executive Director.

Complaints

Overview

The Trust faced unprecedented challenges throughout the past year as a direct result of the Covid-19 pandemic.

The challenges and changes to the way we provide healthcare to our community has naturally impacted the complaints service and management during this time.

Although NHS England and NHS Improvement supported a nationwide 'pause' at the start of the pandemic on the NHS complaints process, to enable healthcare providers to concentrate on frontline duties and responsiveness to the Covid-19 pandemic; we are proud to report that the Complaints Department, with the support of Trust divisions, were able to provide timely responses to all Trust complainants.

During the pandemic, the focus for the Trust was to ensure we heard the voices and experiences of our patients and their loved ones during this difficult period.

As a direct result of this feedback, lessons were learned in how we provided patient care and communicated during this time. This will be demonstrated in the Complaints Annual Report.

From 1 April 2020 to 31 March 2021, the Trust continued to work towards its monthly Key Performance Indicator (KPI) of responding to 90% of complaints within 30 working days, and 100% of complaints within 40 working days, or within an agreed extended timeframe for each month, throughout the year.

Between July 2020 and September 2020, the Trust successfully responded to 100% of its complaints within the 30 working day timeframe.

This was a great achievement at a challenging time for the Trust and was made possible by the dedication and commitment of effective complaints management by our Clinical Divisions and the support of the Executive team.

During the second wave of the pandemic, the Trust extended its standard complaints response timeframe to 40 working days. This was due to capacity in our hospitals with increasing winter pressures and commitments of frontline staff to prioritise patient care. The Trust continued to meet the extended timeframe during this period.

Our overall activity for the year (which includes Emergency Department attendances, Inpatients, Outpatients, Day-Case patients and Maternity patients across the whole Trust) was 780814.

Looking at the percentage of service users who complained against activity, the breakdown is as follows:

- 753 complaints against activity of 780814
- 0.01% of attendance resulted in the registration of a formal complaint

Complaints referred to the Ombudsman

In line with the nationwide 'pause' on the NHS complaints process, the Parliamentary and Health Service Ombudsman closed its services to new enquiries on 26 March 2020 and resumed on 1 July 2020.

Therefore, during this time, the Trust received no new Ombudsman cases. While we are yet to know the true impact this has caused on referrals to the Ombudsman, we will be able to demonstrate the comparative data of new cases in next year's Annual Report.

Thematic Analysis

Everyone has a right to complain as part of the principles and values of the NHS Constitution. The Trust encourages and welcomes feedback from patients, their relatives and our service users to help us improve the care we provide.

The Complaints Team oversees all complaints registered across all Trust sites and satellite services and is committed to investigating all complaints fully and fairly, as well as responding promptly and appropriately within the agreed timeframe.

Our vision is based on the principles of the Complaint Standards Framework and Good Complaints Handling published by the Parliamentary and Health Service Ombudsman and endorsed by the Local Government Ombudsman. Our full complaints report is published on the Trust website.

Our Complaints Management policy is patient and complainant centred and is responsive and dedicated to resolving issues fully and promptly, ensuring our department is an open and accessible service to all of our community. Our principles in line with the Parliamentary and Health Service Ombudsman are:

- getting it right
- being customer-focussed
- being open and accountable
- acting fairly and proportionately
- putting things right
- seeking continuous improvement

Of those complaints received, the top issues raised were:

- communication (General, Medical and Nursing)
- clinical care medical
- diagnosis
- staff attitude
- waiting list (Inpatient and Outpatient Services)
- clinical care nursing

The Trust continues to identify ways in which we can ensure we have a robust complaints process. This includes the use of pre-investigative meetings to ensure we demonstrate our listening culture and to better understand the patient story and desired outcomes.

The number of complaint re-openings during this period decreased from the previous year. 11% of cases were re-opened for further investigation.

Bespoke complaints management training was implemented at the start of 2020 to help staff at all levels of the Trust effectively manage concerns and patient feedback and to help encourage and empower staff to provide on the spot resolutions.

Targeted training sessions are also offered to specialty departments to ensure our training remains fit for purpose and relevant to the trends we identify.

Improvements to Trust services

Improvements made as a result of responding to patient complaints include:

- Learning Disability flags added to Symphony to alter staff to a patient's status and requirements within the Emergency Department;
- New process implemented within Trust Delivery Suites regarding expectations of postnatal women;
- Screen implemented within the Outpatients Department to improve privacy when a patient is weighed;
- PDT provided training and education on discharge planning for Plum Tree Ward at Hinchingbrooke Hospital;
- Infant Feeding Midwife trained staff on the importance of providing consistent information to new parents;
- To Take Out Drugs on Discharge (TTO) process reinforced on Ward A2 at Peterborough City Hospital to ensure policy is adhered to;
- Communication booklets adapted to include information about restricted visiting policies to ensure relatives received daily updates on a patient's condition. This was implemented across the Trust;
- A dedicated relative communication helpline run by redeployed staff, was introduced to support wards;
- Thematic review of complaints attributed to ReSPECT forms was carried out by the Head of Complaints and Clinical Risk and the Deputy Chief Medical Officer to ensure clinicians were better supported in the completion of these forms;
- PALS and Complaints worked together to identify and heighten awareness of the Patient Property Management policy;
- Breast Services implemented an escalation process to avoid delays for those patients awaiting urgent appointments;
- Implemented discharge checklist of Palliative Care patients on Cherry Tree Ward at Hinchingbrooke Hospital;
- Training in the use of pressure relieving mattresses on ED trolleys organised with ED staff;
- Ward A8 staff at Peterborough City Hospital reminded about MUST care plan process, including patient review requirements when RED stage is triggered;
- Dedicated liaison staff member to be appointed in ED when a significant traumatic or unexpected event with a patient occurs. This ensures family are supported and hand overs are completed with other departments;
- Ward A9 at Peterborough City Hospital completed additional training on Self Discharge Policy with checklist/record sheet implemented;
- Trust policy was reviewed with the Palliative Care team about lockable syringe drivers when a patient is discharged to the community;
- Notices placed in the women's health atrium at Peterborough City Hospital about staff discarding food waste and litter appropriately;
- Matrons to monitor appropriate mask wearing by staff. Reminders of Government guidance and Trust expectations communicated to all staff;
- Outpatients to receive further support and training on Sign-Live application;
- Use of patient property checklist was reinforced in multiple wards across the Trust;
- Diagnostic imaging errors discussed regularly at Radiology Events and Learning (REAL) forums, following identification within complaint investigations;
- Individual risk assessments and circumstances of a patient's requirements to be considered at all times when considering reasonable adjustments to the current visiting policy and restrictions;
- Patient experience presentation created in Maternity Division to emphasise the importance of compassionate and empathetic communication with patients;
- System and signposting implemented on AAU and MSSU at Hinchingbrooke Hospital to ensure controlled drugs are transferred with a patient to another ward;
- Breastfeeding support services advertised and offered to women via the Community Midwifery team;
- Training and mentorship provided to Ward B12 staff at Peterborough City Hospital to improve communication and discussing sensitive matters;
- Education and training to ED team about the use of the Live-Link translation service;
- Sanitisation station installed in Trust ED waiting area and chairs removed to maintain social distancing;
- SHOP safety Huddles implemented on Plum Tree Ward at Hinchingbrooke Hospital to communicate vital information about patient safety.

Improvements to Complaints processes

The complaints department made the following improvements to its processes:

- The in-house training programme has been revised and adapted to reflect current trends and needs of the service. The training programme is open to all staff to provide guidance and support to the complaints management process;
- The department was audited in July 2020 and received overall good feedback. Three recommendations were made and have been implemented;
- All complaints risk rated three and above are discussed, recorded and minuted at the weekly Chief Nurse Rapid Review meeting and shared accordingly;
- All Complaints and PALS team newsletters were produced bi-monthly and shared Trust-wide via the Communications Team and uploaded on the Complaints Department intranet webpage;
- The Complaints Management policy was revised to reflect the new process of offering complainants pre-investigative meetings and has incorporated changes to reflect safeguarding and Duty of Candour requirements;
- A Divisional Process Flow Chart was implemented and approved by the Chief Medical Officer/Deputy Chief Executive Officer, for Trust-wide use. This was incorporated within the complaints policy and shared via the Newsletter;
- A team structure chart was implemented and incorporated in the complaints policy;
- Monthly compliance meetings are now held with Divisional Compliance Officers as part of action plan monitoring and learnings implementation;
- Service User Satisfaction surveys were trialled on 'Survey Monkey' to help drive increased complainant feedback;
- Standard Operational Procedure (SOP's) for all tasks required by Complaints Assistants were created to ensure continuity of service and quality;
- The Chief Executive Officer supported and attended complaints local resolution meetings to listen to and understand the concerns of our community and how the Trust can make sustainable improvements;
- All members of the Complaints Team attended Conflict Resolution Training to support and benefit their roles;
- The Complaints Manager became a Mental Health Champion for the Trust to help deliver key focuses on staff mental health and well-being. This will help sustain the needs and demands of the service and support service users;
- Closure action tracker for 2020-21 modified to streamline chasing and monitoring outstanding actions;
- Networking group with local Clinical Commissioning Groups (CCG's) and NHS Trusts continues to maintain engagement and relationship building with third party services and triangulation;
- Verbal complaint form modified to ensure it was fit for purpose and easy to use;
- A dedicated Covid-19 communication survey was sent to all complainants between March and September 2020 to seek feedback from the community. Findings were shared with the Communications Team, Head of Complaints, Clinical Risk and Deputy Chief Nurse;
- Cost Improvement Programmes (CIPs) for the Department were considered throughout. One measure offered complainants the choice of receiving correspondence via secure email to save on printing and postage costs;
- Pre-investigative and local resolution checklists implemented to help Complaints Assistants with meeting management;
- A thematic review of complaint re-opens carried out to better understand current culture and expectations of responding to complaints;
- A review of Datix management in Complaints was carried out with the Datix team lead. This streamlined administrative processes and communications with Divisional Compliance Officers;
- A joint response document was implemented to capture service user questions effectively as part of the joint working process;
- PALS and Complaints combined their Annual Report for 2020-21.

All complainant responses are reviewed by the Head of Complaints and Clinical Risk, and signed by the Chief Executive Officer or Deputy Chief Executive Officer.

Monthly KPI (Key Performance Indicator) compliance is reviewed and taken to the Board via the monthly Quality Report. This ensures openness and transparency and assurance that complaints are managed appropriately.

Lessons learned are discussed and shared with staff at divisional and departmental quality governance meetings, ward manager's meetings, CLAEPP (Complaints Litigation Adverse Events, PALS and Patient Experience) meetings, the complaints and PALS Newsletter, cautionary tales, board stories and matron's meetings.

We use anonymised complaints as case studies to share learnings and best practice as part of our complaints training programme. To ensure these lessons are taken forward, the complaints team monitors actions to ensure they are implemented in a timely manner.

Grading

All complaints are risk rated on receipt. Any complaint rated a three and above is reviewed and discussed at Chief Nurse Rapid Review Meeting.

If deemed a potential Serious Incident (SI), it will be presented at the weekly Serious Clinical Incident Group (SCIG) for further scrutiny. These meetings ensure early review of serious adverse events and high risk complaints are acted on in line with local and national guidance.

Moving forward

As we move into 2021-22, the complaints department will continue to drive our key focus of sustaining an open, approachable and accessible service to all members of our community.

The department will continue to establish better ways of supporting our key stakeholders and staff with complaints management and on the spot resolution to provide quality and patient focussed care.

This will be achieved by thematic reviews of complaints, triangulation of information via monthly and quarterly reports and meetings where we can deliver our learning.

The bespoke complaints training programme will also be utilised to assist with improve service delivery.

Patient stories are shared Trust wide via presentations to the Trust Board, NMAG and Cautionary Tales. Some of our service users have taken the time to personally share their stories with the Trust and we will continue to empower our complainants to talk about their experiences.

Patient Advice and Liaison Service (PALS) and Complaints will continue joint working and sharing best practice to ensure informal and formal complaints are handled appropriately, sensitively, and in a manner agreed with the service user to reach a suitable resolution.

Both PALS and Complaints will continue to seek feedback and guidance from other local NHS Trusts to deliver the best possible service and utilise our networks to achieve this.

A particular focus on mental health and wellbeing will be fundamental to supporting our staff, thus helping the Trust to provide the best service to our community.

Weekly team wellbeing 'Hot Chocolate Mornings' were implemented to help deliver this focus, and a team member will be supported to become a Wellbeing Champion for the organisation.

The complaints team will also attend Mental Health Awareness training once training restrictions are lifted. This will help us consider our own needs, and the needs of our service users, along with dedicated Safeguarding training to compliment and support our roles.

> "I attended the outpatients department at Hinchingbrooke for my first Covid-19 vaccination and everything was extremely well organised and efficient. Thank you!"

Stakeholder relations

Stakeholder relations are managed in a variety of ways – from formal meetings in public with Overview and Scrutiny Health Committees, to providing information to members of the public who may contact the Trust via one of its social media accounts, for example.

As an organisation that spans many local authority boundaries, the Trust provides information and news updates to a local authority health scrutiny committee members – usually via regular attendance at one of their meetings held in public.

In 2020-21 this included Peterborough City Council's Overview and Scrutiny Committee for Health, the Lincolnshire County Council Health Scrutiny Committee, the Huntingdonshire Overview and Scrutiny Committee (Communities and Environment) and Cambridgeshire County Council Health Committee.

Topics discussed this year have focussed upon the Trust's response to the Covid-19 pandemic, the Hinchingbrooke Hospital redevelopment programme, the Stamford Hospital site development and the relocation of the Peterborough Urgent Treatment Centre to Peterborough City Hospital.

The Trust has not been able to stage any on-site stakeholder participation events in 2020- 21 due to the restrictions of the Covid-19 pandemic. Under normal circumstances, the Trust invites pupils from local primary and secondary schools to events in its hospitals as a way to educate youngsters about health and to potentially influence their career choices.

A 999 Club for primary age children is usually run at both Peterborough City and Hinchingbrooke Hospitals, which is designed to take the fear out of a hospital visit for children, and to instil some safety messages.

Students from secondary schools are normally invited to undertake work placements or visits to departments such as pathology, pharmacy, radiology, maternity and therapy services as part of careers events run in conjunction with their school.

The Trust has developed its Patient Experience Group in 2020-21 to become a Patient and Public Voice Partnership. The membership of the group spans all hospital sites and is supported by our Patient Experience Team.

This group has produced our Patient Experience strategy and provides valuable insight into ways we can improve our hospitals for patients and visitors. Meetings have not been as regular in 2020-21 but have switched to an online format in the last half of the year.

On matters of patient experience, quality of care and patient feedback, the Trust also works with Healthwatch Cambridgeshire and Peterborough, Healthwatch Lincolnshire and Healthwatch Rutland. The support of these organisations in completing reviews of our services, both planned and unannounced, is greatly appreciated. Another key stakeholder group is our Trust membership. More information on how we run membership services and engage with our members is on page 100.

Remuneration Report

The Trust operates with two complementary committees in relation to Directors' remuneration.

There is a Remuneration Committee; a committee of the Board of Directors. Its function is to meet the statutory responsibilities of the Board of Directors with respect to executive remuneration and terms of service as set out in the NHS Improvement Code of Governance and to review succession planning.

There is a Non-Executive Director Appointments and Terms of Service Committee; a committee of the Council of Governors. Its duties are to recommend to the Council of Governors remuneration and terms of service of the Trust's Chairman and other Non- Executive Directors; and to manage these processes with Trust officers on behalf of the Council of Governors, prior to approvals being sought on these matters. These duties are also being conducted in line with the NHS Improvement Code of Governance.

This split reflects the duties of the Council of Governors to hold to account, appoint and set the terms of service for the Non-Executive Directors; and the duties of the Non-Executive Directors to appoint, hold to account and set the remuneration of the Executive Directors.

Attendance at the two committees is shown in the relevant sections below. The Chairman is a member of both committees. The Company Secretary is in attendance at both committees. The Chief Executive Officer and Chief People Officer are in attendance at the Remuneration Committee.

No individual in the Trust is involved in decisions regarding their own remuneration and terms of service. When any personal arrangements for an individual are due to be discussed, these individuals are asked to leave the meeting and do not re-join that meeting until the discussions are complete.

This report focusses on the work undertaken in 2020-21.

Annual Statement on Remuneration

The Trust has adopted the national requirements for remuneration in terms of Agenda for Change for all nursing, administration and other non-medical staff and the medical and dental contracts for its medical staff (doctors). Latest information on these arrangements can be found at www.nhsemployers.org.

Board Remuneration

In terms of Board level posts, remuneration is set at a level that enables the recruitment and retention of the skills required. This is in line with national NHS England and NHS Improvement guidance and is benchmarked against similar NHS Trusts via nationally provided information.

A review of Executive Director pay was presented to the Remuneration Committee in November 2020. The review was undertaken as part of the annual cycle for the Remuneration and Nominations Committee. The committee takes into account the following:

- recommendations from NHS Improvement on Very Senior Managers' (VSM) pay cost of living increases;
- NHS benchmarked salary ranges for a large NHS Trust (£500m-£750m turnover); and;
- the Trust's own internal policies on Very Senior Managers' (VSM) pay.

The Remuneration Committee agreed to adopt the NHS England and NHS Improvement recommendation of a consolidated flat rate uplift of 1.03%, backdated to 1 April 2020. The Remuneration Committee also took into account any recruitment and retention challenges for specific executive roles with reference to the benchmarks for Extra Large Acute NHS Trusts with an annual Turnover of £500-£750 million. All this is reflected in the benefits information for Executive Directors set out within this report.

The single benefit table on page 60 shows the remuneration for all senior manager posts at Board level. This shows that there are four post holders paid above the civil service approval threshold of £150,000.

Three Executive posts are above the median benchmark for a Trust the size of North West Anglia Foundation Trust; Chief People Officer, Chief Strategy and Transformation Officer and Chief Operating Officer. Remuneration for each post remains below the upper quartile range. The salaries of the Chief Executive Officer, Chief Nurse, Chief Medical Officer/Deputy Chief Executive Officer and Chief Finance Officer are below the median.

Individual benchmarking is also undertaken for specific roles as appointments are made. There were three new Executive Director appointments for the Chief Operating Officer, Chief Strategy and Transformation Officer and Chief Finance Officer during 2020-21.

The Trust has now agreed an approach for the implementation of the revised Executive Directors' employment contract, including an earn-back clause, for all new appointments. NHS Earn back clauses are included in the contracts of the two of the most recently appointed Executive Directors in line with national NHS requirements. There is no performance related pay as part of remuneration for Board members.

The notice period for Executive Directors is six months and for Non-Executive Directors is three months. There were two new Non-Executive Director appointments during 2020-21. The Council of Governors reviewed the remuneration of all Non-Executive Directors in line with national benchmarking data. The remuneration of all Non-Executive Directors, except the Chairman, was increased by approximately 2.9%. The last increase had been in 2014.

Trust-wide Arrangements

As noted above, the Trust applies the nationally agreed arrangements for pay and conditions negotiated with NHS Employers, supplemented by any local pay agreements.

In addition, the Trust runs its own flexible staffing service, where registered workers are paid at agreed national and some local rates in line with national parameters, which enables additional shifts and resourcing requirements to be met from workers who have knowledge of the Trust's policies and quality standards.

To incentivise substantive staff to seek additional shifts via the flexible staffing service, within the Trust rather than seek higher rates in other hospitals, limited enhancements continued during 2020-21, with regular reviews to assess impact.

External agency workers are only used when the demands cannot be met by substantive staff or and bank workers, and the Trust continues to work on reducing these demands. However, for some roles he recruitment market remains challenging where skills are in short supply nationally and internationally.

The agency cap (national controls on agency spend) continued to prove a challenge and there have been occasions during 2020-21 when the Trust has had no option but to 'break' the cap rates. A vigorous authorisation process is followed before approval is given to 'break' the capped rates. These instances are for patient safety reasons and are used only when required.

Off-payroll arrangements (i.e. where individuals are engaged through a personal service company), are kept to a minimum and are only used on an interim basis where this secures the best individual for the role or piece of work. Off-payroll disclosures are noted on page 63. All Executive Directors are paid through the Trust payroll. No off-payroll payments have been made to this group.

The introduction of IR35 (intermediaries regulations) in 2017 apply to the public sector. The changes placed new liabilities and limitations on the use of off-payroll arrangements, including those individuals working through Agencies via Personal Services Companies (PSC) and Limited Liability Partnerships (LLP).

The overall position regarding staff costs and employee numbers are shown in the tables below. The staff numbers are shown as whole time equivalents, it should be noted that this does not therefore equate with the total number of staff due to those staff who work on a part-time basis, whereby more than one person may fill a whole time equivalent requirement.

Staff Costs

	Permanent £000	Other £000	2020-21 Total £000	2019-20 Total £000
Salaries and wages	266,785	840	**267,625**	**234,335**
Social security costs	26,151	-	**26,151**	**24,447**
Apprenticeship levy	1,253	-	**1,253**	**1,194**
Employer's contributions to NHS pensions	28,801	-	**28,801**	**27,085**
Employer's contributions paid by NHSE on provider's behalf	12,775	-	**12,775**	**11,797**
Pension cost – other	-	-	**-**	**141**
Other post employment benefits	-	-	**-**	**-**
Other employment benefits	-	-	**-**	**-**
Termination benefits	-	-	**-**	**-**
Temporary staff	-	18,556	**18,556**	**19,569**
Total gross staff costs	335,764	19,397	**355,161**	**318,568**
Recoveries in respect of seconded staff	-	-	**-**	**-**
Total staff costs	335,764	19,397	**355,161**	**318,568**
Of which: Costs capitalised as part of assets	243	-	**243**	**2,409**

Average Number of Whole Time Equivalent Employees

	Permanent Number	Other Number	2020-21 Total Number	2019-20 Total Number
Medical and dental	375	430	**805**	**830**
Ambulance staff	0	0	**0**	**-**
Administration and estates	1,400	71	**1,471**	**1,535**
Healthcare assistants and other support staff	1,083	96	**1,179**	**1,231**
Nursing, midwifery and health visiting staff	1,904	48	**1,952**	**2,050**
Nursing, midwifery and health visiting learners	0	0	**0**	**-**
Scientific, therapeutic and technical staff	507	6	**513**	**620**
Healthcare science staff	153	3	**156**	**13**
Social care staff	0	0	**0**	**-**
Other	1	28	**29**	**-**
Total average numbers	**5,423**	**682**	**6,105**	**6,280**
Of which: Number of employees (WTE) engaged on capital projects	-	2	**2**	**64**

The whole time equivalent (WTE) numbers above include substantive staff, locums and bank staff but exclude agency workers.

The tables below also show where exit packages have been agreed. These payments are reported to and scrutinised by the Trust's Audit Committee in line with the processes for special payments.

There were six exit packages at a cost of £215k for 2020-21. There were 15 exit packages at a cost of £246k for 2019-20.

Exit Packages 2020-21

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s
Less than £10,000	1	4,870	-	-	1	4,870	-	-
£10,001 - £25,000	-	-	1	15,645	1	15,645	-	-
£25,001 - £50,000	2	82,806	1	28,828	3	111,634	-	-
£50,001 - £100,000	-	-	1	82,494	1	82,494	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
>£200,000	-	-	-	-	-	-	-	-
Total	**3**	**87,676**	**3**	**126,967**	**6**	**214,643**	**0**	**0**

In addition, the table below shows other packages that were non-compulsory departure payments. There were three package agreed in 2020-21 and three in 2019-20.

Other Non-Compulsory Departure Payments

	2020-21		2019-20	
	Payments agreed Number	Total value of agreements £000	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	1	82	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	3	44	3	20
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**3**	**126**	**3**	**20**
Of which: Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

Annual Report on Remuneration

Remuneration Committee

The Remuneration and Nominations Committee considers the remuneration strategy for the Trust and the remuneration and nominations considerations for Executive Directors.

The Committee met four times during the year. The terms of reference and membership of the committee has remained consistent throughout this last year. The members and attendance at the committee is shown below.

	27 May 2020	30 Jun 2020	18 Aug 2020	29 Sep 2020	30 Nov 2020	14 Dec 2020
Committee Members						
Beverley Shears (Chair) Non-Executive Director	✔	✔	✔	✖	✔	✔
Mike Ellwood (Member) Non-Executive Director	✔	✔	✔	✔	✔	✔
Mary Dowglass (Member) Non-Executive Director	✖	✔	✔	✔	✔	✔
Rob Hughes (Member) Chairman	✔	✔	✔	✔	✔	✔
In Attendance						
Gareth Tipton Non-Executive Director	✔	n/a	n/a	n/a	n/a	n/a
Caroline Walker Chief Executive Officer	✔	✔	✔	✔	✔	✔
Louise Tibbert Chief People Officer	✖	✔	✔	✔	✔	✔
Taff Gidi Company Secretary	✔	✔	✔	✔	✔	✔

✔ - denotes attendance n/a - not in post or not a member ✖ - denotes apologies

There are four key elements that the current committee needs to undertake, in terms of leadership, remuneration and performance, nomination and external advice. In 2020-21, the Remuneration and Nominations Committee received reports covering the following areas:

- Executive Team Performance Reviews and Objectives
- Remuneration and Terms of Service of Executive Directors
- Board Development Programme
- Board Skills Matrix
- Annual Fit & Proper Persons Test Annual Report
- Review of governance arrangements relating to appointments of executive Directors
- Public Sector Exit Payments
- Pension scheme recycling
- Appointment of new Executive Director

In addition, the committee reviewed its own effectiveness including a review of its Terms of Reference and annual cycle of business.

Non-Executive Director Appointments and Terms of Service

The members and attendance at the Committee is shown below. The Committee has met three times in the year; the main issues of discussion were objective setting and an update on performance appraisals for the non-executive directors and the Chairman.

	8 Apr 2020	22 Jun 2020	7 Aug 2020	28 Aug 2020	12 Nov 2020	2 Feb 2021	11 Mar 2021
Committee Members							
Kevin Burdett Committee Chair/ Lead Governor	✔	✔	✔	✔	✔	✔	✔
John Ellington Staff Governor	✔	✔	✔	✔	✔	✔	✖
Asif Mahmoud Staff Governor	✖	✖	✔	✔	✔	✔	✖
Rebecca Wade Public Governor	✔	✔	✖	✔	✔	✔	✔
Joe Wey Public Governor	✔	✔	✔	✔	✖	✖	✔
Kenneth Leaf Public Governor	n/a	✔	✔	✔	✔	✖	✔
In Attendance							
Rob Hughes Trust Chairman	✔	✔	✔	✔	✔	✔	✔
Taff Gidi Company Secretary	✔	✔	✔	✔	✔	✔	✔

✔ - denotes attendance n/a - not in post or not a member ✖ - denotes apologies

In 2020-21, the Non-Executive Director Appointments and Terms of Service Committee received reports covering the following areas:

- Non-Executive Directors' mid-year reviews and appraisals including the Chairman;
- consideration of the appointment of new Non-Executive Directors;
- review of committee terms of reference;
- Fit and Proper Persons Annual report; and
- Review of remuneration for the Chairman and other Non-Executive Directors.

Senior Manager Remuneration Policy

The tables on this and the following page show the remuneration for persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. These are defined as the Executive and Non-Executive Directors of the Trust. It should be noted that the remuneration for the Chief Medical Officer/Deputy Chief Executive Officer, includes that relating to her role as a Medical Consultant.

This table is supplemented by a further chart showing the pension benefits for the Executive Directors on page 62. There is no table for Non-Executive Directors as these appointments are not pensionable. This table shows projected pension benefits as at the age of 60 and the increase in pension entitlement earned during the year.

The in-year pension benefit calculation is made according to the requirements of NHS England and NHS Improvement's Annual Reporting Manual and is based on independent pension evaluations provided by the NHS Pensions Agency. This estimates the additional lump sum payment, plus the additional pension entitlement available at retirement over a 20-year period, provided the employee remains in post until the age of 60.

The inflation applied to the accrued pension, lump sum (if applicable) and CETV is the percentage (if any) by which the Consumer Prices Index (CPI) for the September before the start of the tax year is higher than it was for the previous September. For 2020-21 the difference in CPI between September 2019 and September 2020 was 1.7%. Therefore for benefit and CETV calculation purposes CPI is 1.7%.

It should be noted that this pension benefit is not received until retirement and actual payments of these amounts have not been received by the individual Executives.

Single Total Benefit Table – Executive Directors

Name and title	a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100*	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension-related benefits (bands of £2,500)	(f) TOTAL (a to e) (bands of £5,000)
	£000	£	£000	£000	£000	£000
Caroline Walker - Chief Executive Officer	200 - 205				N/A	200 - 205
Jo Bennis - Chief Nurse Director of Quality and Care	130 - 135				57.5 - 60	185 - 190
David Pratt[1] - Finance Director (Resigned- 03/07/20)	30 - 35				0 - 2.5	35 - 40
Joel Harrison[4] - Chief Finance Officer (acting Chief Finance Officer 04/07/20-31/12/20 appointed 1/1/21)	105 - 110				25 - 27.5	130 - 135
Kanchan Rege[2] - Chief Medical Officer, Deputy Chief Executive	180 - 185				N/A	180 - 185
Louise Tibbert - Chief People Officer	125 - 130				N/A	125 - 130
Graham Wilde[3] - Chief Operating Officer (Resigned 31/3/21)	150 - 155				N/A	150 - 155
Arshiya Khan - Chief Strategy and Transformation Officer (appointed 1/4/20)	150 - 155				0 - 2.5	155 - 160

1 David Pratt resigned from Board role as Director of Finance on 3 July 2020, but continued as an employee of the Trust until 31 December 2020.

2 The figures for the Chief Medical Officer consists of remuneration as an Executive Director and for clinical responsibilities.

3 Graham Wilde resigned from his post as the Chief Operating Officer on 31 March 2021. In addition Phil Walmsley was appointed as the Chief Operating Officer from 1 March 2021 to allow for a handover. Phil was paid salary, between £10k-£15k.

4 Joel Harrison acted as Chief Finance Officer from 4 July 2020 to 31 December 2020. Joel was then appointed as Chief Finance Officer on a permanent basis from 1 January 2021.

Notes:

Taxable benefits, performance related bonuses and long term performance related bonuses were £nil for both years for each individual. The above salaries for both years are prior to salary reductions whereby individuals chose to opt into the Trust's salary sacrifice car parking and lease car schemes. These schemes are available to all Trust employees and therefore not associated with the specific posts.

The total pension related benefits noted above include the increase in pension entitlement from 1 April one year to 31 March the following year after the prior year figure has been uplifted by indexation. This pension is forecast to be paid for 20 years and so the increase is multiplied by 20 for the purpose of this calculation. The change in lump sum (due upon retirement) from 1 April to 31 March the following year (adjusted for indexation) is then added to the pension entitlement. Finally, any in-year pension contributions made by the employee are deducted to produce the figures noted above. An over-riding assumption is made that the employee will contribute to their NHS pension up until retirement age.

Please note that the pension related benefits above do not represent a benefit which the employees receive each year. Figures provided by the Pensions Agency.

The following Directors took part in the Trust's lease car salary sacrifice scheme. Had lease car deductions not been made from gross pay then revised salary bandings shown below would be applicable:

	Bands of £5,000 £000
Caroline Walker	205 - 210
Jo Bennis	140 - 145
Joel Harrison	105 - 110
Louise Tibbert	135-140

Single Total Benefit Table – Non-Executive Directors

	2020-21			**2019-20**		
	Remuneration Salary & Fees Bands of £5k	**Pension Related Benefits[1] - All Bands of £2.5k**	**Total Bands of £5k**	**Remuneration Salary & Fees Bands of £5k**	**Pension Related Benefits[1] - All Bands of £2.5k**	**Total Bands of £5k**
Rob Hughes (wef 1/4/13) Chairman	40-45		**40-45**	40-45		**40-45**
Sarah Dunnett (wef 1/1/12 until 31/12/20) Deputy Chair (wef 5/6/17 until 31/12/20)	5 - 10		**10-15**	10-15		**10-15**
Gareth Tipton (wef 18/8/14) Senior Independent Director wef 5/6/17	15-20		**15-20**	15-20		**15-20**
Mike Ellwood Audit Committee Chair (wef 12/5/16)	15-20		**15-20**	15-20		**15-20**
Mary Dowglass (wef 1/4/18)	10-15		**10-15**	10-15		**10-15**
Ray Harding (wef 1/4/18)	10-15		**10-15**	-		**-**
Beverly Shears (wef 1/4/18) Deputy Chair (wef 1/1/21)	10-15		**10-15**	-		**-**
Dr Mark Sanderson (wef 3/8/20)	5 - 10		**5-10**	-		
Dr Christine Hill (wef 1/1/21)	0 - 5		**0-5**	-		

Notes:

Pension benefits, taxable benefits, performance related bonuses and long term performance related bonuses were £nil for both years for each individual.

Pension entitlements of the Board of Directors

2020-21 Executive Directors	Pension rights as at age 60		Increase arising in 2020-21 whilst employed by North West Anglia NHS FT		Cash equivalent transfer value as at 31/3/2020	Cash equivalent transfer value as at 31/03/2021	Real Increase in Cash equivalent transfer value for 2020-21
	Accrued	Lump sum	Accrued	Lump sum			
	£	£	£	£	£000	£000	£000
	Bands £5,000		Bands £2,500				
Caroline Walker Chief Executive Officer	**No pension contributions were paid in the year**						
Louise Tibbert Chief People Officer	**No pension contributions were paid in the year**						
Joanne Bennis Chief Nurse	45-50	90-95	2.5-5.0	2.5-5	738	827	**54**
David Pratt Director of Finance	35-40	75-80	0-2.5	0-2.5	830	727	**0**
Graham Wilde Chief Operating Officer	**Contributions of between 0-2.5k were paid in year as part of the NEST pension scheme**						
Kanchan Rege Chief Medical Officer and Deputy Chief Executive Officer	**No pension contributions were paid in the year**						
Arshiya Khan Chief Strategy & Transformation Officer	30-35	55-60	0-2.5	0-2.5	506	531	**0**
Joel Harrison Chief Finance Officer	5-10	0-5	2-5.5.0	0-2.5	46	68	**3**

Senior employees are defined as 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust'. The people listed above make up the Trust's Board of Directors. None of the individuals detailed have received any other payments in respect of attraction, severance or any other benefit-in-kind. Non-Executive Director posts are non-pensionable.

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. The benefits and related CETVs detailed in the table do not allow for a potential future adjustment arising from the McCloud judgement. The Trust considers this appropriate as 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.

> "This was our fourth visit to the paediatric assessment unit and Holly Ward due to concerns about our baby boys kidneys. Every single time weve been greeted with smiles and the kindest staff members. We always feel so safe, looked after and leave feeling so grateful and lucky to have such a great hospital, and outstanding doctors and nurses nearby."

In addition to the remuneration tables the Trust is also required to disclose the ratio of the highest paid senior manager to the median remuneration of the Trust staff. This is also known as the Hutton Disclosure.

This disclosure is based on the full remuneration of the highest paid Director rounded to the nearest £5k. The figure below is therefore higher than the actual remuneration shown in the tables above.

The highest paid director at the end of the reporting period is the Chief Executive Officer. The mid-point pay for the Chief Executive Officer for 2020-21 is

£202.5K. This is 8.1 times higher than the median salary of £24,907. This is based on substantive staff only and excludes bank and agency workers for whom no appropriate comparator is available. This pay comparison is an increase from that declared for 2019-20 which was 7.7 times higher than the median salary of £26,220.

Governor and Director Expenses

The expenses for the Governors and Directors for 2019-20 and 2020-21 are noted below. Expenses are paid in accordance with Agenda for Change expense arrangements. These are for expenses claimed directly through the Trust's payroll system.

Governor and Director Expenses

	2020-21			2019-20		
	Number in Office	Number Receiving Expenses	Aggregate Expenses	Number in Office	Number Receiving Expenses	Aggregate Expenses
Governors	30	3	£683	26	2	£1,760
Directors	15	4	£6,574	13	8	£17,221

Off-Payroll Arrangements

Off-payroll arrangements are where, rather than being employed by an agency or on the Trust's payroll, individuals are paid through their own service companies. The Trust has also had a fully established Board of Directors throughout the year. As a result there are no engagements of this nature to report.

For all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last for longer than six months

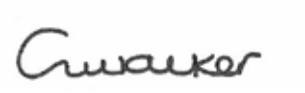
No. of existing engagements as of 31 March 2020	4
Of which...	
No. that have existed for less than one year at time of reporting	1
No. that have existed for between one and two years at time of reporting	1
No. that have existed for between two and three years at time of reporting	1
No. that have existed for between three and four years at time of reporting	0
No. that have existed for four or more years at time of reporting	1

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

No. of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	4
Of which...	
• Number assessed as within the scope of IR35	4
• Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

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

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



Caroline Walker
Chief Executive Officer
11 June 2021

Rob Hughes
Chairman
11 June 2021

Audit Committee Report

Purpose

The principal purpose of the Committee is to assist the Board in discharging its responsibilities for monitoring the integrity of the Trust's accounts.

In addition it reviews the adequacy and effectiveness of the Trust's systems of risk management and internal controls, and monitors the effectiveness, performance and objectivity of the Trust's external auditors, internal auditors and local counter fraud specialist.

The Committee works in partnership with the other Board committees to fulfil these aims. The audit committee's main objective as set in its terms of reference is:

'to independently contribute to the Board of Directors' overall process for ensuring that an effective internal control system is maintained by providing an assurance on the arrangements relating to all internal control activities'.

Membership and Attendance

Our Audit Committee comprises three independent Non-Executive Directors who have a broad set of financial and commercial expertise to fulfil the committee's duties.

	7 May 20 Workshop	22 Jun 20	14 Jul 20	26 Oct 20	18 Jan 21
Mike Ellwood (Committee Chair) Non-Executive Director	✔	✔	✔	✔	✖
Sarah Dunnett (Member) Non-Executive Director	✔	✔	✔	✖	n/a
Gareth Tipton (Member) Non-Executive Director	✖	✔	✔	✔	✔
Mark Sanderson Non-Executive Director	n/a	n/a	n/a	✔	n/a
Christine Hill (Member) Non-Executive Director	n/a	n/a	n/a	n/a	✔
Joel Harrison Chief Finance Officer	✔	✔	✔	✔	✔
Taff Gidi Company Secretary	✔	✔	✔	✔	✔

The committee is constituted in accordance with the provisions of the NHS Audit Committee Handbook and has overseen the audit of 2020-21 accounts, accountability report including the Annual Governance Statement, the development of internal and external audit plans and the risk management and internal control processes, including control processes around counter fraud.

During 2020-21, the committee met four times. In addition, the committee held a workshop in May 2020 to review the draft Annual Report and Accounts. Due to the Covid-19 pandemic all meetings took place via teleconferencing.

Attendance at the Committee is shown in the table below.

✔ - denotes attendance n/a - not in post or not a member ✖ - denotes apologies

The Audit Committee's work in 2020-21

The Covid-19 pandemic and the associated re-direction of resources had an impact on internal audit progress and implementation dates. It was noted that following a benchmarking exercise the Trust was broadly in line with other Trusts and there had been no substantial assurance issues.

The Trust has a robust process for agreeing annual Internal Audit, External Audit and Counter Fraud plans; including scrutiny by the Audit Committee. Planning takes due consideration of relevant Trust risks. The 2020-21 annual audit plans were approved by the Audit Committee as follows:

- Internal Audit Plan – approved April 2021
- Local Counter Fraud Specialist Work Plan – approved April 2021
- External Audit Plan – approved April 2021

In 2020-21, the Audit Committee received regular reports covering the following areas:

- Losses and Special Payments;
- Waivers of Standing Orders;
- Internal Audit;
- Local Counter Fraud Specialist; and
- External Audit.
- Risk Management and performance

In addition, the committee received other reports relating to risk, changes to reporting standards and review and approval of relevant policies.

In 2020-21, the Trust reviewed and revised its Board subcommittee structure. This included consideration of any additional elements to be reported through the audit committee. The new structure was implemented effective from 1 January 2021.

Therefore, no self-assessment was conducted as core elements of this had been undertaken as part of the review.

The Audit Committee also reviews relevant sections of the draft annual report and accounts at a workshop as part of the annual report and accounts preparation process.

Risk Management Task and Finish Group

In response to the findings of the Care Quality Commission in 2018, the Trust established a Task and Finish Group chaired by the Chair of the Audit Committee to review the Trust's risk management systems and processes in line with best practice.

The Task and Finish Group is accountable to the Trust's Audit Committee, which provides a key forum through which the Trust's Non-Executive Directors bring independent judgement to bear on issues of risk management and performance.

The Covid-19 pandemic impacted on the timetable for implementation of the action plan. However, the remaining work-streams were completed and the Task and Finish Group was closed in December 2020.

Progress regarding the remaining work-streams relating to training and the management of 'aged' risks would be reported to the Audit Committee to ensure the remaining work was completed.

Relationship with the Council of Governors

The Council of Governors has the responsibility for the appointment of the Trust's External Auditors, and will consider recommendations from the Audit Committee when doing so. At least one Governor attends each audit committee meeting to observe.

The Trust's Auditors

Effective from 1 April 2019, the Trust appointed RSM UK to provide internal audit and counter fraud specialist services.

The Trust's external audit service is provided by KPMG LLP. The external auditor was re-appointed following a competitive tender exercise in October 2018. This appointment is for five years, with a review after three years.

> "I had my 12 week scan and also met with a consultant at Peterborough City Hospital. The sonographer was genuinely the friendliest most upbeat person I'd ever met. I'm gutted to have not thought to ask her name to pass on further feedback. The consultant was super helpful and made me feel completely at ease. I was pleased with how things were dealt with in light of the current pandemic."

Head of Internal Audit Opinion 2020-21

The Head of Internal Audit has provided an opinion of assurance for the year as follows:

For the 12 months ended 31 March 2021, the head of internal audit opinion for North West Anglia NHS Foundation Trust is as follows:

The organisation has an adequate and effective framework for risk management, governance and internal control. However, the auditors work has identified further enhancements to the framework of risk management governance and internal control to ensure that it remains adequate and effective.

The table below summarises the outcomes from each internal audit assignment against the four possible opinions of: no assurance; partial assurance; reasonable assurance; or substantial assurance.

The Trust's Executive Team has accepted recommendations to implement areas of improvement identified by internal audit during 2020-21. These actions will be implemented in line with the timeline agreed with the internal audit. The Audit Committee has responsibility for ensure timely implementation of audit recommendations.

Domain	Internal Audit Description	Assurance Opinion
Finance	Covid-19 Cost Allocation	Reasonable assurance
	Key Financial Controls (including Payroll)	Reasonable assurance
Workforce	Workforce Reporting	Reasonable assurance
Quality & Clinical	Complaints and Patient Advice and Liaison services (PALS)	Reasonable assurance
	Safeguarding Children	Reasonable assurance
	Management of Adverse Events	Reasonable assurance
	Clinical Audit	Reasonable assurance
Governance & Risk	Policy and Procedure Management	Reasonable assurance
	Accountability Framework	Reasonable assurance
	Freedom to Speak Up	Reasonable assurance
	Risk Management	Reasonable assurance (Draft)
Information Technology	Information Technology Audit – Cyber Security (Part 1)	Reasonable assurance

All audit reviews that receive no assurance or partial assurance are scrutinised in depth by the Executive Team and the Audit Committee.

Counter Fraud

The Trust acknowledges that it has a responsibility to ensure that public money is spent appropriately and that it has policies in place to counter fraud and corruption.

The Trust has in place a number of procedures for the prevention of bribery, including a clear Whistleblowing policy and procedure called 'Raising Concerns in a Safe Environment' and a Counter-Fraud Specialist.

The Trust maintains a Register of Interests. There are two categories of staff identified for the purposes of collection, Decision Making staff, (Executive Directors, Non-Executive Directors and Governors) where interests are published on the Trust's website at www.nwangliaft.nhs.uk/about-us and Delegated Decision Making staff where interests are formally collected but not published.

The Trust also maintains a Gifts and Hospitality register. The data for Decision Making staff is published quarterly on the Trust's website at www.nwangliaft.nhs.uk/about-us

The details are also available from the office of the Company Secretary, who can be contacted on 01733 677926.

The Anti-Fraud, Bribery and Corruption Policy sets out standards of business conduct in support of the Trust's Standing Orders and Standing Financial Instructions. The Trust works closely with organisations both within and outside the NHS to support a concerted effort to promote fair, honest and open working practices.

In order to support work at pace in response to Covid-19 whilst maintaining the Board's legal responsibilities with respect to maintenance of financial controls and stewardship of public funds, the Trust agreed revised financial governance arrangements which were in line with national guidance.

> "My mother was admitted to Ward A3 with Covid-related pneumonia. I was not able to be with her at any point as I too was Covid-positive. In both the Emergency Department and on the ward, the staff I spoke to went above and beyond making sure I was fully updated with what treatment Mum was receiving and how she was responding to it. They did their very best to ease the stress of not being able to be with each other by enabling regular phone-calls between us, even in the middle of the night, when Mum's condition became critical. Those phone-calls were a huge comfort to us and we were able to share final messages and prayers before sadly she succumbed to the virus. I know the staff did their very best to enable my Mum to recover; and when it became clear that she couldn't, they made her comfortable to ease her passing. Despite the huge pressure they were all be under they did so much to help me feel included, informed and as near to Mum as I could possibly be without being there in person."

Workforce Report

Introduction

The Trust believes that a highly-skilled, motivated and engaged workforce is essential to ensuring delivery of high quality integrated care for the population we serve.

The Trust has a track record of promoting workforce diversity and engagement, shared values and behaviours and continuous development and learning among its workforce.

These themes are integral to our five year Workforce and Organisational Development Strategy, which we launched in 2017 and will be refocused in 2021-22 as a People and Culture Strategy for 2021-26

Our Workforce and Organisational Strategy was co-developed with our staff and stakeholders and sets out the future vision for our workforce centred upon our key programmes of work; namely: resourcing, engagement and development. Some of the progress and achievements against the delivery plan are captured in the eight sections below.

Staff Engagement

A range of different communication mechanisms were used throughout the year to ensure staff members were informed of issues relating to them. The intranet, the daily Noticeboard email bulletin, the monthly staff briefing sessions, and the Chief Executive Officer's weekly message, which is communicated to all staff members.

Social media is also used via closed groups and public groups to share information and news to staff. Improvements continue to be made to the staff intranet during the year.

The Trust has an open approach which promotes opportunities for staff to talk about their concerns. These can be raised through the Trust's 'Freedom to Speak Up' Guardian (FTSU) and Champions.

A staff engagement group, known as the Staff Council, is in place. Local Staff Councils at both divisional and department levels have been re-established after a pause during the pandemic to give staff the opportunity to discuss the topics they wished to raise.

Staff networks were established during the year to give staff from different communities or with different characteristics an additional forum to share their views with the Trust.

> "I recently visited Urology Department and then needed an MRI. The service I received was very pleasant and very efficient. I received the results within days of the test. I found the Covid-19 restrictions in the hospital were well controlled. In these difficult times this was an excellent service."

Recruitment and Retention and Staff Engagement

Workforce supply remains one of the Trust's top priorities. The Trust has continued to put a high level of focus on effective recruitment and retention throughout the year. The vacancy rate has remained relatively static throughout the year and by March 2021 was 5.43% across the Trust.

The success of our recruitment strategy has helped us to use fewer agency workers, and increase the number of substantive staff and flexible bank workers. Spend on agency workers has fluctuated across the year due to the pandemic, between 4.4 to 6.7%. Securing agency working has been challenging at times due to demand across the country.

The Trust continues to build on its annual recruitment plan to focus on effective recruitment and retention. This is linked to filling vacancies to improve the quality of patient care and reduce agency spend. There has been a continued focus on improving rostering systems and practices, and improving job planning for medical staff.

There has been an increased focus on attracting people to new roles and widening career pathways to support staff development opportunities and retention.

This flexible approach to career development, together with offering flexible working, is encouraging a diverse workforce, which includes the younger and older generations and has contributed to retention rates of 88.2% at March 2021.

The Trust continues to recognise the value of apprenticeships, both as a means of recruiting and retaining staff. This has seen the Trust recruit successfully and locally from these potential pools of trained staff. Our apprentices tend to stay within the area where they train, whereas other staff groups trained at university may not necessarily stay where they had their clinical placement.

The Trust embraced the potential workforce challenge brought about by Brexit and encouraged our EU workforce to apply for settled status. We also continued to recruit doctors and nurses from other areas overseas. This remains a critical part of our future recruitment plans.

For the younger workforce, the Trust has recognised that their preferred pathway is via technology, so we have developed a number of recruitment attraction schemes that are linked to social media.

All employees participate in the annual appraisal and personal development review process. This results in the cascade of strategic objectives to divisional and team level, before being incorporated into individual objectives as they are agreed. The result, being that every staff member is personally involved in contributing to the overall performance of the Trust. Health and wellbeing conversations have been included into the appraisal process and managers are also encouraged to discuss wellbeing with staff at every 'one to one' meeting during the year.

Staff members are encouraged to participate in decisions that affect them during the appraisal process and through individual and team meetings. These decisions may be in respect of their own roles, changes within the wider service or the overall management of the Trust.

It is widely recognised that engaged and well-motivated members of staff are key to delivering high quality care to patients. The Trust recognises the importance and value of having an engaged workforce and well-established mechanisms are in place to encourage staff engagement and involvement.

Our staff engagement plan aims to develop a sense of community where every individual feels part of the organisation, takes pride in what they do, works as part of a successful team and delivers the best possible care for patients. This plan is designed to develop and sustain the best possible staff engagement in the short, medium and long term.

We continue to integrate our organisational vision and values into everything we do, and more specifically, to our staff engagement plan. We continue to measure staff engagement through the recognised channels, such as the NHS Staff Survey, the Friends and Family Test, and national drivers of best practice. Staff members are encouraged to participate in decisions that affect them during the year.

Staff Health and Wellbeing

Our Health and Wellbeing strategy was launched in November 2018 and has been refreshed significantly as result of the pandemic. Additional and targeted support has been made available throughout the year. This has included drop in (wobble) rooms and access to counselling, talking therapies and to NHS staff mental health pathways for those most in need.

The vital component of this strategy is about keeping staff heathy while they are at work and in doing so, increasing morale and reducing sickness absence. We have refreshed and relaunched our 'Good to Outstanding' Programme, with an Executive Programme Board meeting monthly to respond to staff feedback and develop actions in line with our five work streams.

We have continued to grow our staff reward scheme and developed further discount schemes for our staff members, including discounted gym membership and the new 'Employee Assistance Programme' which provides a range of information and practical support for problems at work and home including: stress, family difficulties, relationships, health, finances, bereavement, anxiety, depression, workplace issues and trauma.

Our commitment to more flexible working patterns continued through the 12 months. The development of a flexible reward package that is adaptable to each stage of working life is being developed to support this work.

An agile and flexible working strategy has been developed and launched to reflect and support the changing working expectations and needs of both staff and services. During the pandemic many staff were asked to work from home to aid social distancing and elements of this are likely to remain in place. Many staff like the hybrid nature of part home and part on-site working.

The annual staff awards ceremony was postponed in 2020 and local arrangements have been in place. The Trust continues to recognise our people for their outstanding efforts in a number of categories. These are based on the organisation's values, including Putting People First, Caring and Compassionate, Working Positively Together, Actively Respectful, Seeking to Improve and Develop and as well as categories of Team of the Year, Individual of the Year, Unsung Hero and Hospital Hero for our three main sites at Peterborough, Hinchingbrooke and Stamford Hospitals.

As a Trust we have signed up to the 'Time to Change' Employer Pledge. This is a commitment to changing the way we think and act about mental health at every level of the organisation. The action plan includes the increased promotion of resources available to support members of staff who struggle with their mental health, more opportunities to talk openly during the year through specific events, and more training for managers to help them support their teams. Mental health first aiders are in place and more volunteers are coming forward to be trained.

We have Wellbeing Champions across the Trust to support the year-long calendar of events and initiatives we have planned for our staff.

Leadership

The NHS People Plan reinforces the importance of effective leadership and management at all levels, from the ward to the board. The Trust continues to deliver a suite of effective leadership programmes which ensure excellent leadership is developed and practiced. A programme of board development is also in place.

Internally we have a wide suite of leadership and management development programmes and workshops available for all staff, whether clinical and non-clinical, and whatever role or level they work at within the organisation.

Externally we work closely with the NHS Leadership Academy to support national, regional development opportunities and leadership initiatives, such as the Mary Seacole Leadership Programme.

An Outstanding Leadership work stream is in place as part of the Good to Outstanding Programme and will build on what is available to develop all staff including our present and future leaders.

Partnership working

The Trust Partnership Group provides the formal mechanism for engaging monthly with the recognised trade unions to help shape key workforce decisions and any local changes to terms and conditions of service. This forum is responsible for contributing to the development of a number of workforce policies and organisational changes, and has a voice on key workforce related issues. The Group also receives updates from the Chief Executive Officer and other Executives across a range of topics. The meetings chaired by the Staff Side chair or the Chief People Officer.

Health and Safety

Ongoing promotion of Health & Safety, Fire Safety and Security within the workplace remains a high priority for the Trust. Our team of Health & Safety professionals played a key role in terms of ensuring compliance with the Health & Safety at Work Act 1974, as well as the Fire Safety Order 2005.

This is achieved through regular audits and re-inspections of premises that have significant findings within their risk assessments. The team also works across all services to promote best practice, develop health & safety policies, investigate incidents and near-misses, review health & safety assessments, and ensure compliance with regulations and guidance.

The Health, Safety and Security Committee includes local work place Health & Safety representatives and provides a forum to report and address any issues, and consider Health & Safety risks and actions to address these. It is part of the Trust's formal governance framework. The Annual Health & Safety Report for the Trust, which is a legal requirement, is considered and agreed by the Trust Board.

During 2020-21, Health & Safety was a key priority for the Trust in keeping staff and patients safe during the pandemic. Individual risk assessments, environmental risk assessments, social distancing and others measures remain in place to protect staff while at work.

Future priorities and targets

The Trust People priorities, linked to the NHS People Plan, supported by the delivery plan, will provide clarity about future workforce priorities in 2021-22.

Workforce Planning and Supply

The Trust has a ratified Workforce and OD plan, in place until 2021. This was endorsed by our Board of Directors in December 2017. This is refreshed annually as part of the annual planning process. Trends show that younger generations are choosing to work in 'less traditional ways' seeking a more 'flexible approach' to work. The Trust is increasingly providing flexible working opportunities to help ensure an inclusive and attractive approach.

The delivery of high quality education and placements will result in employers having staff who are ready to deliver the job and types of services needed for patients. We need to provide a variety of ways to access a diverse range of work experience opportunities for young

people locally and link with schools, colleges and further education providers.

One of our biggest and as yet unknown challenges are the full implications of Brexit, particularly the decline of nurses and others joining from the EU. We have been closely monitoring staff starters and leavers from the EU and have provided support and information about UK Settled Status. Most of the 450 EU staff remain with us and we have not seen a significant number of leavers as yet. New recruits now have to join the Trust through non-EU visa systems.

The Trust's workforce plan reflects the latest projections of supply and retention, on a national and local basis and include actions that will strengthen bank arrangements and opportunities for improved productivity and workforce transformation. As well as career development for existing staff, this sits alongside opportunities for people to return to practice too.

Our multi-facetted workforce includes an increasingly ageing workforce, as there is no longer a maximum age for retirement. Today's workforce will wait longer for their state pension and may choose, or need to stay in paid employment for longer. In the context of the Sustainability and Transformation Programme (STP) and the workforce strategy, we are working on the recruitment and development pathways to help movement staff from one sector to another, i.e. social care to health care.

Equality, diversity and inclusion will continue to be at the heart of our People and OD Strategy and also as a means of growing our workforce supply. Our workforce race equality plan (WRES) and new EDI Strategy our Trust will expect to show year-on- year improvements in closing the gap between white and BAME staff being shortlisted and being offered roles. We have plans in place to continue to reduce our Gender Pay Gap, although reporting was suspended for 2020 until later in 2021.

We continue the focus on recruitment to key staff groups, particularly:

Nursing:

Education and training:

A key improvement led by Health Education England (HEE) has been to increase the number of newly qualified nurses available to be employed, through the

expansion in nurse training places commissioned. We have supported this and grown our frontline nursing workforce by working closely with our partner Higher Education Institutions, to deliver a number of different routes into nursing and introduction of new roles.

We are currently reviewing all student capacity and aim to increase the numbers of students we can support within the Trust. We continue to train staff to meet the NMC Standards to support supervision and assessment in practice to enable us to support the increase in student capacity.

Nursing apprenticeships:
10 staff are undertaking the BSC Nursing apprenticeship over a 42 month period, all are doing well and meeting the required outcomes. All students will be offered Band 5 contracts on successful completion of their course. Nine staff have now completed the apprenticeship and have been employed into substantive roles across the Trust.

Nursing associates
We have been proactive in driving the new nursing associate role and currently have 63 trainee nursing associates with a further 17 trainees commencing in September 2021. 34 nursing associates qualified in 2020 and 28 have joined our nursing workforce.

This stand-alone role which bridges the gap between the healthcare assistants and registered nurses, frees up registered nurses to focus on more complex clinical care also provides a progression route into graduate level nursing. We have a number of acute clinical areas where this role has been embedded into their nursing workforce.

The Trust supported 15 staff to become graduate nurses through a top up BSc Nursing degree apprenticeship. One remains on the programme following maternity leave,10 chose to remain with the Trust, with four staff opting to work in other organisations.

A further 16 staff are commencing the programme this year.

Return to practice
We continue to support this initiative, unfortunately we do not have a local HEI provider that offers the course. We have, however, supported three nurses from a University out of area. Two of these have successfully rejoined the professional register and joined our workforce as a registered nurse. This highlights the effect our robust support delivered through mentorship in the clinical areas and the pre- registration education team to our trainees, has on recruitment and retention.

Advanced Clinical Practice (ACP) nurse roles:
We are supporting the development of advanced clinical practice and have transformed service delivery and enhanced the services delivered to our local community by training and developing ACPs within our workforce.

Retention:
We continue to build upon and improve initiatives to retain our nursing workforce.

This is supported by regular meetings with our Workforce lead from NHS Improvement as part of the direct support programme. Our latest data pack evidences that we have successfully reduced the percentage of staff leaving the Trust within one year and when compared to other acute Trusts in the East of England, we are below average. Over the next year we will sustain this by continuing to enhance preceptorship and focus on actions around staff development, career pathways and focused support to areas of high turnover. This retention work will also be supported by actions delivered from our Health and Wellbeing work stream.

Medical Workforce

Tackling pressures on doctors in training:
Junior doctors are a crucial part of the NHS workforce. We continue to engage with our junior workforce and more senior doctors. A Guardian of Safe Working is in place and is helping to improve working conditions and celebrate successes.

New professional roles:
We are building on our retention strategy for the Trust, linked to improving staff engagement. The Trust's retention strategy pulls together all the benefits for staff who are either already working with us or who may be our future workforce. We already have excellent practices in place, such as the support we give our overseas nurses and doctors, such as support to find housing, schools and local social networks. We also provide excellent Trust induction and training for all our new recruits.

Workforce Utilisation
Agency workers and temporary staff are widely used resources within the Trust. Our focus now is to look at different temporary staffing solutions and how we can use collaborative approaches to reduce agency spend, through sharing our staff banks and controlling rates of pay.

Our roll out of e-rostering and improved and effective consultant job planning continued through 2020-21 to ensure right staffing at the right time. Building on our success we will continue to develop and utilise the Health Roster Live module with our nursing workforce to ensure high quality effective care at the bedside (measured by number of care hours delivered per patient according to their clinical needs). All clinical staff, including doctors, will be using e-rostering during 2021-22.

This will help reduce agency spend further through more effective deployment of substantive staff, and will make rostering more staff-friendly through use of mobile technology.

> "Thank you each and every one for looking after me, and my newborn baby. It was a difficult time and I was worried to come in during the pandemic. But I did not need to. All the staff in the unit were stars. Thank you to the kitchen staff as well the food was amazing."

The Trust's Workforce

At 31 March 2021, the Trust employed **6,968** members of staff (31 March 2020 – 6,789). This is a positive increase of 2.6% from 2020-21 due to improved recruitment to vacant posts throughout the Trust.

The table indicates a substantial increase in male employees, which is a 4.55% increase on last year (31 March 2020 – 1341).

Gender	FTE	Headcount
Director		
Female	4.00	4
Male	4.00	4
Employee		
Female	4782.32	5533
Male	1348.43	1402
Senior Manager		
Female	8.73	12
Male	9.40	13
Grand Total	**6156.88**	**6968**

A combined position showing 2020-21 has been provided for comparison purposes in the table below. The most significant variance from last year in the age banding is the increase in percentage for the bands from 31-35 through to 36-40.

Age Bands	FTE	Headcount	Workforce %
<=20 Years	63.85	68	0.98%
21-25	429.66	455	6.53%
26-30	877.57	940	13.49%
31-35	948.45	1067	15.31%
36-40	724.30	834	11.97%
41-45	706.60	810	11.62%
46-50	755.71	842	12.08%
51-55	728.60	829	11.90%
56-60	581.65	690	9.90%
61-65	284.53	348	4.99%
66-70	45.94	68	0.98%
>=71 Years	10.01	17	0.24%
Grand Total	**6156.88**	**6968**	**100.00%**

Disability	FTE	Headcount	Workforce %
No	4390.97	4956	71.13%
Unspecified	1586.00	1806	25.92%
Declared Disability	179.90	206	2.96%
Grand Total	**6156.88**	**6968**	**100.00%**

Religious Beliefs	FTE	Headcount	Workforce %
Atheism	743.01	835	11.98%
Buddhism	35.80	37	0.53%
Christianity	2902.54	3295	47.29%
Hinduism	169.22	178	2.55%
Islam	245.72	262	3.76%
Judaism	3.25	4	0.06%
Other	420.01	471	6.76%
Sikhism	14.64	17	0.24%
Unspecified	1622.68	1869	26.82%
Grand Total	**6156.88**	**6968**	**100.00%**

Sexual Orientation	FTE	Headcount	Workforce %
Bisexual	59.43	63	0.90%
Gay or Lesbian	76.49	82	1.18%
Heterosexual or Straight	4560.01	5136	73.71%
Unspecified	1460.95	1687	27.48%
Grand Total	**6156.88**	**6968**	**100.00%**

Workforce Performance Indicators

At 31 March 2021, the Trust achieved a sickness absence level of 4.48% (rolling average). This compares favourably with the latest regional figures published by NHS Digital. Their latest published absence rates relate to the third quarter of 2020-21 and for this region was 5.84%, the national average for this period was 6.46%, please see table below:

Measure (Statistics from NHS Digital from ESR Data Warehouse)	**Trust Rate (2020-21 Qtr 4)**	**Regional Rate (2020-21 Qtr 3)**	**National Rate (2020/21 Qtr 3)**	**Definition**
Absence rate	**4.48%**	6.46%	5.84%	Number of sickness days divided by the total FTE at the trust in the last month

Nationally calculated sickness absence days

Figures have also been produced by the Electronic Staff Record (ESR) system. These are for the year based on the period April 2020 to March 2021 and cover all days of sickness regardless of whether these are working days or non-working days. The results are shown in the table below:

	Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by ESR Data Warehouse		
	Average FTE 2020-21	Adjusted FTE days lost to Cabinet Office definitions	FTE – Days Available	FTE – Days Lost to Sick-ness Absence	Average Sick Days per FTE
North West Anglia NHS Foundation Trust	6051.58	96,502.86	2,209,218.86	96,502.86	15.95

Staff Turnover

Staff turnover levels were 7.35% in 2020-21. Comparison data with our peers is shown below, as can be seen our leaver rate is considerably lower than both the regional and national rate for medium acute trusts. The Trust retention rate of 88.20% at March 2021 is better than regional and national averages.

Measure	**Trust Rate (03-20)**	**Regional Rate (03-19)** Medium acute	**National Rate (03-19)** Medium acute	**Definition**
Leaver rate	**7.35%**	11.16%	11.16%	Number of leavers divided by the average number of staff in the last 12 months
Stability index	**88.20%**	87.00%	86.30%	Number of staff present at the start and the end of the 12 month period, divided by the number of staff present at the start of the period.

Facility Time Data

The Trust has eight members of staff who are Trade Union Officials. The Trust does not currently record Facility Time data, however further details about their pay can be found in the table below.

Number of employees who were relevant union officials	0% of relevant union officials working hours spent on facility time	1-50% of relevant union officials working hours spent on facility time	51-99% of relevant union officials working hours spent on facility time	100% of relevant union officials working hours spent on facility time	Relevant union official pay cost	Percentage of total pay bill on facility time
8	0	8	0	0	£11,154.05	0.003%

Number of employees who were relevant union officials	0% of relevant union officials working hours spent on facility time	1-50% of relevant union officials working hours spent on facility time	51-99% of relevant union officials working hours spent on facility time	100% of relevant union officials working hours spent on facility time	Relevant union official pay cost
1	0	9.33	0	0	£498.12
1	0	13.48	0	0	£3,973.32
1	0	35.26	0	0	£8,153.75
1	0	21.74	0	0	£143.48
1	0	11.02	0	0	£4,025.58
1	0	4.79	0	0	£2,227.17
1	0	2.14	0	0	£430.43
1	0	6.25	0	0	£38.26
1	0	10.42	0	0	£1,053.00
1	0	4.68	0	0	£401.73

Compliance with Developing Workforce Safeguards' recommendations

We developed our annual workforce plan to ensure appropriate levels and skills of staff are available to deliver safe, high quality care to our patients. Our Trust plan was compiled from Division workforce plans. It was multidisciplinary, evidence-based, integrated with finance and activity plans. Our annual plan was shared with the Board.

During the year, our Board received assurance regarding the performance through the Single Integrated Performance monthly Report with supporting information for indicators rated as red on the performance dashboard, bringing together performance metrics and information relating to workforce, quality priorities, staffing and finance.

The workforce data presented to Board on a monthly basis included establishment updates, sickness, turnover, appraisal, vacancy rates, agency spend and mandatory training data.

Reports to Board from the Finance Committee and the People and Performance Committee provide further assurance to the Board on the effectiveness of the delivery of our Workforce and Organisational Strategy, which details our short, medium and long term workforce strategies to deliver a safe, effective service.

This Committee also receives assurance regarding the risks relating to workforce recruitment and retention.

The Quality Committee is provided with assurance on work safe staffing levels for nursing and related roles and Safe Care is used across the Trust on a daily basis to monitoring staffing levels linked to patient acuity levels.

The People and Culture Committee was established from January 2021 to provide increased focus and assurance on workforce matters. Including health and safety, and education.

Culture

‘Have Your Say’ - Our Cultural Barometer Survey

Have Your Say - Our Cultural Barometer’ survey continues to take place three times a year. It is a short, anonymous survey open to all Trust staff that incorporates the national ‘Staff Friends and Family Test’ (SFFT) questions.

Additional key engagement questions are asked, together with a couple of key topical/local questions.

Trend: Staff Friends and Family Test Results

	2015-16			2016-17			2017-18 (NWAngliaFT)			2018-19 (NWAngliaFT)			2019-20 (NWAngliaFT)			2020-21 (NWAngliaFT)		
	Q1	Q2	Q4	Q1	Q2	Q4	Q1	Q2	Q4	Q1	Q2	Q4	Q1	Q2	Q4	Q 1	Q 2	Q 4
How likely are you to recommend this organisation to friends and family if they needed care or treatment?	81%	81%	81%	88%	86%	82%	85%	82%	81%	84%	84%	79%	79%	77%	71%	79%	76%	79%
	73%	72%	72%	73%	85%	N/A												
How likely are you to recommend this organisation to friends and family as a place to work?	63%	66%	62%	72%	71%	60%	62%	60%	59%	64%	63%	57%	55%	55%	50%	60%	55%	60%
	54%	50%	64%	55%	63%	N/A												

Peterborough and Stamford Hospitals NHS Foundation Trust

Hinchingbrooke Health Care Trust

N.B. The National Staff Survey is conducted in Q3 therefore Trusts are not required to conduct a Staff Friends and Family Test (SFFT)

This provides opportunity for more timely response to staff feedback and as it is measured it becomes an iterative process.

NHS Staff Survey 2020

This year the NHS National Staff Survey (NSS) was sent to all of our Trust staff to give everyone the opportunity to participate. We had a final response rate of 31% (1,963 responses).

There are 11 themes which cover all areas of staff experience, on a scale of 1-10, where the higher the score the more positive than a lower score.

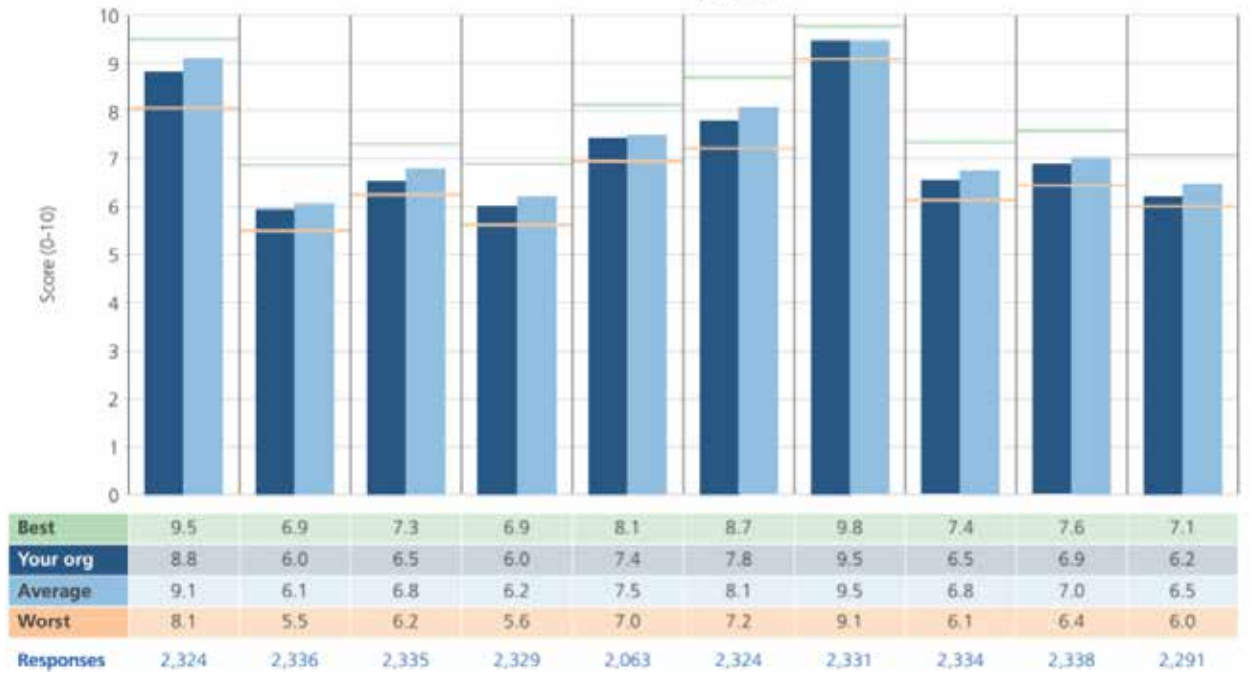
Theme Results

Overall, the Trust scored in line with the national average across all 10 themes, with a slight deterioration in some areas; priority actions are already underway to address these through the Good to Outstanding Programme Board and agree work streams.

Survey Coordination Centre

2020 NHS Staff Survey Results > Theme results > Overview

NHS England



	Equality, diversity & inclusion	Health & 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	8.8	6.0	6.5	6.0	7.4	7.8	9.5	6.5	6.9	6.2
Average	9.1	6.1	6.8	6.2	7.5	8.1	9.5	6.8	7.0	6.5
Worst	8.1	5.5	6.2	5.6	7.0	7.2	9.1	6.1	6.4	6.0
Responses	2,324	2,336	2,335	2,329	2,063	2,324	2,331	2,334	2,338	2,291

Trust employment and disability

Equality, Diversity and Inclusion

The Trust set up an Equality, Diversity and Inclusion (EDI) Steering Group in 2019 which comprises members from a range of backgrounds and from all divisions of the organisation.

EDI Steering Group members take responsibility for different areas of work with some overseeing whole work streams that focus upon raising awareness and better supporting staff through networks and events. The Chief Executive Officer and one of the Non-Executive Directors have become EDI Champions to both lead and role model on EDI issues. The EDI Steering Group is chaired by the Chief People Officer and the Deputy Chair is the Chief Medical Officer.

The Trust agreed a new EDI Strategy, 'Inclusion as Standard', in March 2021 which had been co-produced with stakeholder groups. This sets out the Trust priorities and ambitions for the EDI and armed forces agenda for 2021-2025. The NHS People Plan and the pandemic have highlighted the challenges and priorities for equality, diversity and inclusion for the future and the Trust is committed to addressing these are far and as fast as we can. The EDI strategy is published on the Trust website.

Parented by the EDI Steering Group are a range of co-production networks, which are designed to allow staff to identify issues affecting their specific group and redesign services and policies to resolve them. This has resulted in a series of changes to better support staff. The Trust is committed to increasing the uptake of this model of working to further develop the support needed by staff.

As an employer, we actively seek to recruit people living with disabilities to be part of our workforce. All job applicants are considered for their abilities for the role in question, rather than any particular disability they may have. This applies both in terms of the selection process, throughout which the individual's needs would be accommodated as far as possible. Also, once appointed, consideration would be given to any requirements that would ensure new recruits were able to perform successfully in the role.

The Trust remains committed to ensuring equality of opportunity for all of its staff and prospective employees and endeavours to introduce and reinforce knowledge and systems designed to ensure everyone, regardless of protected characteristic, is treated fairly while working for the organisation.

We are proud to have been fully accredited by the Disability Confident Standard since December 2018; this supports employers to make the most of the talents disabled people can bring to the workplace.

Support is also provided to staff members who became disabled while working for the Trust. Reasonable adjustments to the environment and working patterns are made, as appropriate, following advice from the Occupational Health Team.

We work to ensure that all staff are treated fairly and equitably, regardless of their individual characteristics and circumstances. This includes access to training, career development opportunities and the promotion of people with disabilities.

The Trust has an obligation to submit a range of data relating to workforce equality, including the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and the Gender Pay Gap. The data collected is used to better understand the organisation's situation in regard to each entity's specialism. Once understood, an action plan is developed to identify areas of work to be undertaken over the following year.

Workforce Race Equality Standard (WRES) – assesses the equality situation for Black, Asian and Minority Ethnic (BAME) staff. The data submission comprises a range of information including the likelihood of BAME staff entering the disciplinary process, and accessing non-mandatory training in comparison with white staff. The report highlighted the greater need for representation throughout senior levels of the organisation but when broken down into staff groups, demonstrated a particular need for racial diversity in senior, non-medical roles.

The Trust has been active in offering additional training to staff from a Black, Asian and Minority Ethnic (BAME) background. It has introduced a reverse mentoring programme piloted by the Executive Directors and has formed a Task and Finish Group. This is in response to the issues identified in the General Medical Council's (GMC) Fair to Refer document. The Trust is embarking on a Cultural Ambassador Programme.

The Workforce Race Equality Standard (WRES) Summary Report and Action Plan is published on the Trust website.

Workforce Disability Equality Standard (WDES) – assesses the equality situation for staff with disabilities. This data collection became mandatory from 2019 across the NHS and the Trust carried this out within the required timeframes. A range of immediate actions were developed with a particular focus on known societal shortcomings which could achieve significant improvement within the organisation and increasing the rate of reporting to provide clearer information on the organisation's position.

The Trust has now created a range of new recruitment options for people with disabilities such as supported internships and parallel apprenticeships. Further work has been done to develop a package of support to managers to increase the skills in identifying and introducing reasonable adjustments to support members of staff with disabilities.

The Trust's Occupational Health Team continues to provide recommendations in support of staff who

acquire disabilities while working for the Trust. Reasonable adjustment may include remote working, reduced hours and reductions in responsibility.

The WDES Summary Report and Action Plan is published on the Trust website.

Gender Pay Gap – Reporting the Gender Pay Gap annually has been a statutory obligation for organisations with more than 250 staff since 2017, meaning the Trust has made three submissions since inception. The Gender Pay Gap measures the mean and median average difference in pay between men and women. The Trust has most recently published the Gender Pay gap for March 2019 and this can be found on the Trust website as well as on the Government Gender Pay Gap website. The Gender Pay Gap data for March 2020 will be published later in 2021 in line with Government requirements.

The report highlighted areas of improvement the Trust could make and the organisation has introduced new packages of support to staff with unpaid care responsibilities, improved the knowledge of managers in managing people with additional personal responsibilities and sought to reinforce bias mitigation tools across the organisation.

The Trust remains committed to support (LGBTQ+) staff members via the Rainbow Scheme, and pledges were signed in 2019 by the Trust Board of Directors and a significant number of staff. This has helped to raise awareness of the challenges faced by LGBTQ+ staff and patients and to address the issues for the better. The LGBTQ+ staff network has continued to grow during 2020-21.

Occupational Health Statement

The main priority of the Occupational Health Department is to support and advise managers of the effects of health on work and work on health. Training is provided to managers to enable them to support and manage their teams effectively and in line with Trust expectations.

The Department is responsible for the Flu CQUIN (Commissioning for Quality and Innovation) seasonal flu vaccination for healthcare workers and employee health and wellbeing. Last year 72.7% of front line clinical staff received the vaccination. This year, 75.5% has been achieved.

The OH department completed key performance indicators (KPIs) on service delivery, with outcomes being met in:

- new health screening
- management referral appointments
- sending reports
- blood test results, and
- new business enquiries

The OH department supports the Trust on recruitment and management of staff with health conditions that affect work. In addition to measuring the above, metrics work is now being completed on an improvement plan to reduce 'did not attend' rates and supporting managers to ensure staff are fit for role.

The Trust provides a counselling service to staff across the organisation, which is delivered by an independent charity. A mental wellbeing information leaflet has been produced and is now being developed to ensure staff are given high quality support materials during periods of mental ill-health.

A list of Apps has been produced to help staff develop supportive behaviour and access high quality materials. Managers can now fast track their staff for Physiotherapy ensuring they are aware of staff wellbeing which helps them put into place supportive measures reducing the risk of workplace injury.

Individual personal wellbeing appointments are offered by Occupational Health to support those who wish to improve their health.

During the pandemic the Occupational Health team supported managers and staff on a range of issues linked to risk assessments and also to increased referrals for access to mental health services. Staff Covid-19 vaccinations were delivered by a dedicated team managed by the Chief Medical Officer.

Freedom To Speak Up

The role of the 'Freedom To Speak Up' (FTSU) Guardian was a recommendation in the Francis report following Sir Robert Francis' review of Mid Staffordshire Hospital.

His report identified that there were staff in the organisation who knew there were issues with patient safety but were too frightened to speak up. The recommendation was that it was key for every acute NHS Trust to have a FTSU Guardian who has responsibility for dealing with concerns raised and will work with the Trust to ensure appropriate policies and processes are in place and embedded.

The Guardian also ensures staff are listened to, supported appropriately and that concerns are dealt with in a timely and professional way. There are now over 600 FTSU Guardians nationwide and there has been a Freedom To Speak Up Guardian at the Trust since 2017.

Since January 2020 there has been a full time Guardian in post and further champions have been recruited to bring the current total to 15. The Champions are based in all areas across the Trust and are from all grades and disciplines of staff. Their role is to discuss concerns with the individual raising them and then to escalate to the Guardian.

The rationale for appointing Champions was to ensure accessibility of FTSU and to also encourage staff to feel comfortable when speaking up. Some staff may prefer to speak up to someone they know and trust.

A quarterly report is presented to the Trust Board by the Guardian at the public Board meeting. October is Freedom To Speak Up month in the NHS. In 2020 a number of Freedom To Speak Up promotional events took place albeit restricted somewhat by Covid-19.

Highlighter pens printed with the email address of the Guardian were distributed, along with an A-Z of Speaking Up being promoted via the Trust Facebook pages.

The increase in contacts to Freedom To Speak Up this year demonstrates that staff are aware of the role of the FTSU Guardian and feel able to raise their concerns.

The Trust Board continues to utilise the self-review guide that accompanies the Guidance for Boards on Freedom To Speak Up in NHS Trusts and NHS Foundation Trusts, published in 2018 by NHS England and NHS Improvement and the National Guardian's Office.

This details the expectations of trust boards in relation to Freedom To Speak Up and allows the Board to self-assess against these expectations in order to formulate an improvement action plan.

The NHS National Staff survey contains four questions that are used by The National Guardian's office to calculate an index score for each Organisation that has a FTSU Guardian. The four questions are:

- Percentage of staff agreeing or strongly agreeing that their organisation treats staff who are involved in an error, near miss or incident fairly
- Percentage of staff agreeing or strongly agreeing that their organisation encourages them to report errors, near misses or incidents
- Percentage of staff agreeing or strongly agreeing that if they were concerned about unsafe clinical practice they would know how to report it
- Percentage of staff agreeing or strongly agreeing that they would feel secure raising concerns about unsafe clinical practice

In 2020, the Trust's index score was 79% (the national average is 78.7%).

The FTSU Guardian meets monthly with the Chief Executive Officer and the Non- Executive Director responsible for Freedom To Speak Up. Quarterly meetings with the Chief Executive Officer and Chairman also take place.

Collaborative working with the Divisional leadership teams, Safeguarding lead and Guardian of safe working hours has been established to allow for information sharing and triangulating concerns.

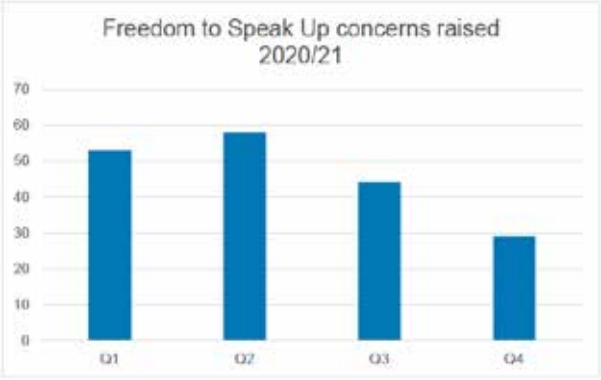
The Guardian also sits on the Complaints, Litigation and claims, adverse events and PALS group (CLAEP) to allow for further triangulation of concerns with potential patient harm and complaints.

Throughout the year concerns have been raised from Peterborough City Hospital (PCH), Hinchingbrooke Hospital (HH) and Stamford Hospital by all disciplines and grades of staff.

Concerns raised with Guardians tend to fall within the following categories:

- Potentially unsafe patient care
- Poor communication
- Bullying and poor staff behaviour
- Poor leadership
- Perceived lack of fairness in processes

There were a total of 184 concerns raised during 2020-21 as follows:



There was an increase in the number of concerns raised during the year. This is felt to be due to having a full time Guardian in post and a difference in the way concerns are recorded.

Speaking up remains a priority for the Trust. The coming year will focus on raising the profile of Freedom To Speak Up and encouraging staff to raise their concerns.

The National Guardian's office is in the process of releasing training aimed at three different levels of staff: all staff, managers and senior staff, titled Speak Up, Listen Up, and Follow Up. This training will be embedded into the organisation in the next year.

Leadership, Education and Training

Development of our current and emerging leaders and managers remains a priority for the Trust, which is in keeping with the NHS national vision of creating a culture of compassionate leadership across the health service and the ethos of the NHS Interim People Plan, which seeks to improve leadership culture across all NHS organisations. In addition, leadership development continues to be one of the main themes in Good to Outstanding organisational development programme.

The core of this initiative is to ensure our leaders and managers are able to demonstrate the skills, knowledge, attitudes and, just as importantly, the behaviours they require to lead and manage to the highest standards. The Trust's personal responsibility framework outlines the behaviours we expect to see from all our staff with additional responsibilities for our leaders, at team, department and strategic levels.

All of our leadership, management and development programmes are reviewed regularly to ensure they are current and in context with both national and local priorities, while continuing to follow the principles of the NHS Leadership Academy's Healthcare Leadership model.

In an effort to support a system wide approach to leadership development, again in keeping with the ethos of the NHS People Plan, the Trust has continued to participating in the delivery of the NHS Leadership Academy's Mary Seacole Local leadership programme. A number of Trust staff have successfully undertaken the programme and one of our senior managers plays a key role in its delivery as an accredited facilitator. The delivery of this programme has been effected by the pandemic and is being re-established for 2021-22.

In addition to a range of leadership programmes, the Trust is also offering many more opportunities for apprenticeship development across both professional and non-professional groups, to fully utilise the Apprentice Levy and has seen a marked increase in the use of apprenticeships across the organisation.

Mandatory training delivery and compliance remains a priority in support of patient care. By working closely with the subject matter experts who deliver mandatory training, we have continued to maintain and improve the Trust's overall compliance for mandatory training to 93.7% at March 2021 despite some necessary changes to training delivery during the pandemic.

Investment in leadership, education and training ensures the Trust's workforce is prepared and proficient to be able to effectively carry out their role, minimise risk across the whole organisation and enhance the patient experience.

Estates and Facilities

The Estates and Facilities Department's aim and vision is to ensure it contributes to the achievement of the Trust's objectives by developing buildings and facilities that offer the necessary levels of safe and appropriate amenities, services and accommodation for patients visitors and staff.

We achieved many positive things during the year by implementing the changes identified in our site redevelopment plans, addressing our backlog maintenance, improving the performance of our PFI partner, and working harder to achieve a better patient environment, experience and outcome for our patients.

Our Services

The services we provide deliver essential facilities management, investment in new buildings and refurbishments, and development of new opportunities for the Trust estate, and include:

- Asset management
- Advisory services
- Soft FM
- Hard FM
- Disposal management
- PFI management at Peterborough and Hinchingbrooke hospital sites
- Construction and Project Management
- Helpdesk management for retained estates at our Hinchingbrooke, Stamford and Peterborough sites

While we made significant progress during the year, we recognised we have some way to go to get us where we want to be.

In 2020-21, we were faced with the unprecedented situation of the Covid-19 Pandemic. During this time we changed the way we delivered our services significantly.

We utilised the estate and our service delivery reactively to support our clinical colleagues in providing the best care for our patients.

Regarding recruitment, we continued to secure top quality staff, although there were some leavers who were supported to develop and move on to other employment opportunities.

Place

How does the Trust compare with the National Average?

The table below shows how each site compared with the national average

	National Average Score	**98.60%**	**92.20%**			**96.40%**	**96.40%**	**80.70%**	**82.50%**
Site Name	**PLACE Site Type**	**Cleanliness Score**	**Food Score**	**Org Food Score**	**Ward Food Score**	**Privacy, Dignity & Wellbeing Score**	**Condition, Appearance and Maintenance Score**	**Dementia Score**	**Disability Score**
HINCHINGBROOKE HOSPITAL	Acute/Specialist	99.00%	89.23%	84.26%	90.63%	84.85%	96.11%	78.89%	79.92%
STAMFORD & RUTLAND HOSPITAL	Community	100.00%	93.70%	89.63%	97.78%	94.27%	100.00%	97.99%	97.10%
PETERBOROUGH CITY HOSPITAL	Acute/Specialist	99.03%	94.35%	93.33%	94.58%	90.71%	98.81%	88.11%	87.10%
	National Average Score	**98.60%**	**92.20%**			**96.40%**	**96.40%**	**80.70%**	**82.50%**

	Above National Average
	Below National Average

Capital programme

In order for us to address our backlog maintenance, we identified that we needed to invest £5m per annum. During 2020-21 we delivered in excess of £5m worth of backlog maintenance and critical infrastructure projects which saw our backlog maintenance burden reduce slightly with more to follow next year.

These projects included continuing the fire compartmentation project at Hinchingbrooke Hospital, roofing works, electrical upgrades,

Reinforced Autoclaved Aerated Concrete (RAAC) surveys, heating repairs, water safety works, and more.

Alongside this we installed a new MRI scanner at the Peterborough Site which increased the site's capacity to three MRI scanners.

Regarding our Reinforced Autoclaved Aerated Concrete (RAAC), roof and wall structures in Hinchingbrooke, all NHS Trusts have been asked to identify locations where it is used, and carry out annual surveys of its condition.

RAAC was generally used in construction in the UK between the mid-1950s and 1980 and has a lifespan of 30 years. It is the main structural element of the Hinchingbrooke Hospital site. The first year's survey was completed on time. In 2020-21, we completed the first year's audit survey and identified some areas of concern that will need remediation next year.

Awards and successes

During the pandemic a number of retiring staff delayed their planned long service break to ensure they supported the Trust, its patients and staff, for which we really thank them for this commitment.

Together with our PFI Peterborough partners, we were awarded the prestigious PPP award 2020. This was in recognition of partnership working and the huge improvements made to the contract. This included much of the charitable work our PFI partners carry out locally.

We completed more than £5m of capital works during the pandemic in extremely challenging environments. We successfully handed over the first phase of the Hinchingbrooke emergency floor capital project in the Emergency, ACU, and AAU departments in November 2020.

Composition of the Board

The Board consists of seven Executive Directors and eight Non-Executive Directors. All Directors are appointed based on their expertise and experience. The Chief Medical Officer also undertakes the role of Deputy Chief Executive Officer.

The appointment of Executive Directors including the Chief Executive Officer is approved by the Executive Appointments Committee.

This committee also appoints new Executive Directors, including the Chief Executive Officer in line with recommendations from the Remuneration Committee, which is responsible for the remuneration and terms of service for Executive Directors.

The Chief Executive Officer is a member when the Committee considers matters relating to appointments or removals of other Executive Directors.

The Non-Executive Directors are all considered to be independent appointees; this is maintained by a regular review and a usual nine year maximum length of service. This can only be extended beyond this period in exceptional circumstances.

None of the existing Non-Executive Directors have served more than nine years. All appointments to the Board are the result of open competition.

The Chairman and the Chief Executive Officer take into account the required skills, qualifications, experience and diversity of the Board's composition as part of the recruitment process to the Board of North West Anglia NHS Foundation Trust.

The Remuneration Committee help to identify the skills and experience required for new appointments to the Executive Director positions, while the Chairman works with the Council of Governors to identify the skills and experience required for any new appointments to Non-Executive Director positions.

The Trust is satisfied that the Board of Directors and its committees have the appropriate balance of skills, experience and knowledge of the Trust to enable them to discharge their respective duties and responsibilities effectively.

The Board of Directors is supported by the Company Secretary who attends board meetings in a non-voting capacity.

Operational Divisions

In order to deliver and develop patient care effectively, the Trust is comprised of four clinical divisions let by a triumvirate of a Clinical Director, General Manager and Head of Nursing.

Board of Directors

The Executive Team

Caroline Walker,
Chief Executive Officer

Dr Kanchan Rege,
Chief Medical Officer &
Deputy Chief Executive Officer

Jo Bennis,
Chief Nurse

Joel Harrison,
Director of Finance

Graham Wilde,
Chief Operating Officer

Louise Tibbert,
Chief People Officer

Dr Arshiya Khan,
Chief Strategy &
Transformational Officer

Taff Gidi,
Company Secretary

The Non-Executive Team

Rob Hughes,
Chairman

Sarah Dunnett,
Deputy Chairman

Mark Sanderson

Gareth Tipton

Beverley Shears

Ray Harding

Mary Dowglass

Mike Ellwood

Note:

Graham Wilde, Chief Operating Officer left the Trust on 31 March 2021. Phil Walmsley was appointed Chief Operating Officer and took up his role on 1 March 2021 to enable a handover process.

Dr Christine Hill joined the Trust on 1 January 2021. She replaced Sarah Dunnett, Non-Executive Director, who left the Trust on 31 December 2020. Beverley Shears replaced Sarah Dunnett as Deputy Chair.

Operational Divisions

Dr Kanchan Rege,
Chief Medical Officer
to oversee professional accountability
of Divisional Directors

Phil Walmsley, Chief Operating Officer

Jo Bennis,
Chief Nurse
to oversee professional accountability
of Divisional Heads of Nursing

Division of Emergency & Medicine

Divisional Operations Director: Stacie Coburn (Interim)
Divisional Director: Dr Deyo Okubadejo
Divisional Nursing Director: Kevin Boyle
Deputy Divisional Operations Director: Sara Burbridge
Head of Urgent Care: Sabina Fitton
Head of Nursing: Debbie Bryant

Departments

- Ambulatory Care (ACU)
- Cardiology
- Diabetes/Endocrinology
- Emergency Departments (ED)
- Endoscopy / bowel screening
- Gastroenterology
- Medical Assessment (MAU)
- Medicine for older people
- Minor Injury Unit (MIU)
- Neurology
- Renal
- Respiratory
- Stroke

Division of Surgery

Divisional Operations Director: Kate Hopcraft
Divisional Director: Filippo Di Franco
Divisional Nursing Director Madeleine Seeley
Head of Nursing: Elaine Dolden

Departments

- Day Treatment Unit (DTU)
- Ear, Nose and Throat (ENT)
- General Surgery
- Maxillo-facial
- MSK, Trauma & Rheumatology
- Oncology, Radiotherapy & Haematology
- Ophthalmology
- Plastics/Dermatology
- Palliative Care
- Sterile Services
- Surgical Assessment (SAU)
- Theatres, Anaesthetics, Pain & Critical Care
- Urology
- Vascular

Division of Family & Integrated Support Services

Divisional Operations Director: Nicola Leighton-Davies (Interim)
Divisional Director: Dr Tamer Sadek
Divisional Nursing Director: Nerea Odongo

Departments

- Paediatrics & Neonatal Intensive Care Unit (NICU) (PCH)
- Children's safeguarding
- Diagnostic Imaging
- General Outpatients
- Pathology
- Health Records
- Pharmacy
- Rehabilitation & Therapy Services

Maternity, Gynaecology and Breast Services CBU

Director of Midwifery Corporate: Penny Snowden
General Manager: Simon Pitts
Divisional Director for Maternity: Mr Tarang Majmudar
Head of Midwifery: Hazel Cathcart
Divisional Nursing Director: Nerea Odongo

Departments

- Breast Services
- Maternity
- Gynaecology
- Obstetrics

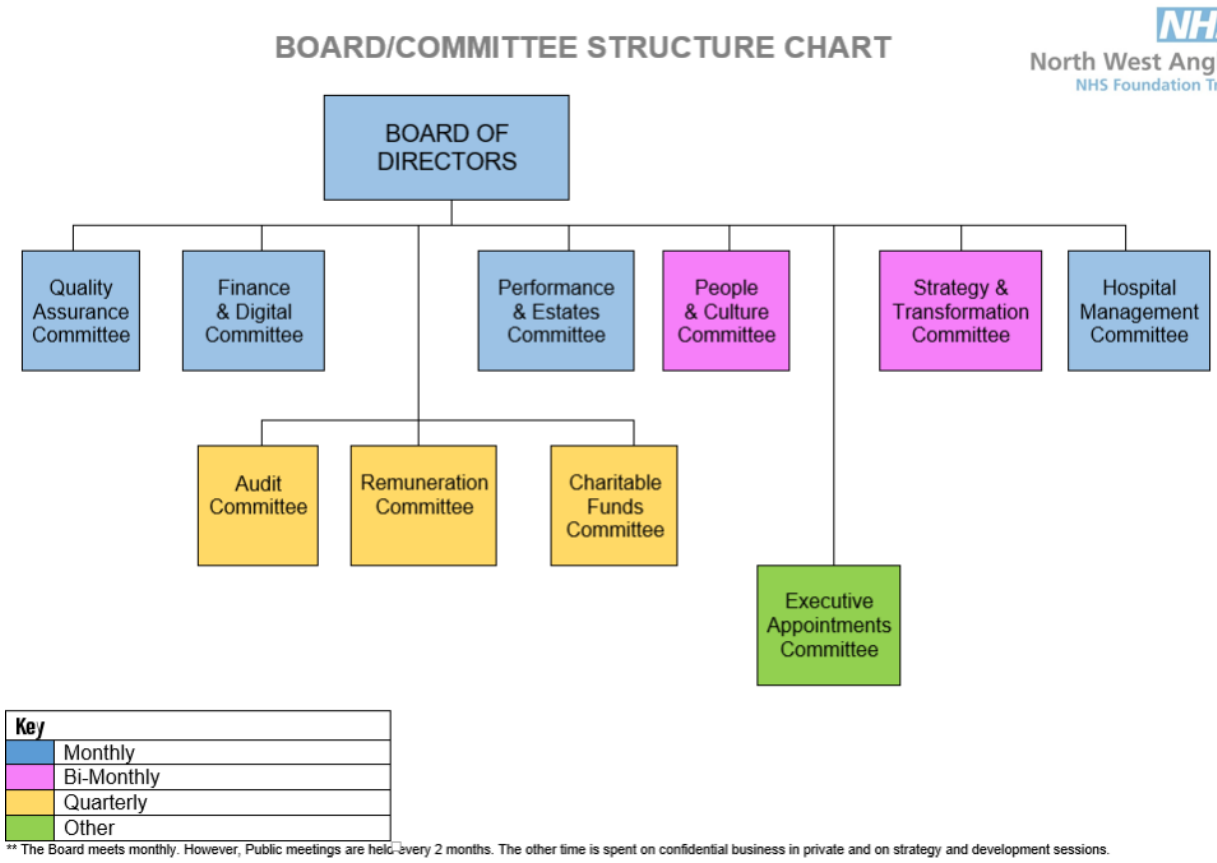
Corporate Operations CBU

Deputy Chief Operating Officer: Stacie Coburn

Departments

- Site Management
- Discharge planning and transfer of care
- Patient transport services

Board of Directors' Purpose and Behaviours



Composition of the Board

The Board moved to bi-monthly public meetings in 2019. The Board agendas are formulated to ensure that time is devoted to strategic, operational and financial matters and there is a strong focus on the quality and safety of clinical services for patients.

The Board currently meets in private followed by a public meeting on a monthly basis. Inevitably, some of the Trust's business is more appropriately considered in the private session.

Having bi-monthly meeting schedules frees up time that can be better spent on the day-to-day running of the Trust.

Board papers for the public meetings are published on the Trust's website (www.nwangliaft.nhs.uk).

Board Development workshops to improve efficiency and effectiveness of the Board were held throughout the year.

A number of these took place which includes:

- Risk
- Integrated Care Systems Alliance
- Covid-19 Pandemic Lessons Learned
- NHS People Plan
- Integrated Care Systems Update
- Health Inequalities
- Independent Well Led Review Report

The removal of Non-Executive Directors is the responsibility of the Governors on grounds of performance. However appointments can also be terminated with three months' notice by either party.

In exceptional circumstances NHS England and NHS Improvement can take regulatory action to remove Non-Executive Directors.

Division of responsibilities

There is a clear division of responsibilities between the Chairman and the Chief Executive Officer.

The Chief Executive is responsible for:

- providing leadership to the Board of Directors and the Trust;
- facilitating the contribution of the Non-Executive Directors to the success of the Trust in the delivery of high-quality healthcare;
- ensuring effective communication with the Council of Governors;
- the annual evaluation of the performance of the Board and its committees and implementing any action required following such evaluation.

The Chief Executive Officer is responsible for:

- working with the Chairman to ensure the development of strategy that is supported by the Board as a whole;
- overseeing operational implementation of the strategic objectives of the Trust;
- creating a framework of values and objectives to ensure the delivery of key targets, and allocating decision-making responsibilities accordingly;
- ensuring effective communication with employees and taking a leading role with the Chairman in building relationships with key external partners and agencies.

Independence of Non-Executive Directors

The Non-Executive Directors bring wide and varied experience to the Board. They also play a crucial role via the assurance committees of the Board.

There is full disclosure of all Directors' interests in the Register of Directors' Interests. The Register is held by the office of the Company Secretary and is publicly available on our website (www.nwangliaft.nhs.uk).

Any actual or potential conflicts of interest are dealt with in accordance with procedures set out in the Standing Orders for the Board of Directors.

Beverley Shears, Non-Executive Director was appointed as Deputy Chairperson on 1 January 2021.

Gareth Tipton, Non-Executive Director was appointed as Senior Independent Director on 5 June 2017.

Performance evaluation

Executive Directors have an annual appraisal with the Chief Executive Officer. The performance of Non-Executive Directors is evaluated annually by the Chairman.

The annual appraisal of the Chairman involves collaboration between the Senior Independent Director and the Lead Governor of the Council of Governors, who seek the views of both Directors and Governors.

The Board of Directors assess the views of Governors and members in a number of different ways, these include:

- The Annual Public Meeting;
- Attendance by Executive Directors and Non-Executive Directors at Council of Governors meetings;
- Regular feedback sessions by the Chairman, Company Secretary and Lead Governor;
- Joint meetings between the Board of Directors and Council of Governors on significant issues, when required.

Board of Directors' membership and attendance at Board meetings

Public Board of Directors													
Executive Directors	28.04.20	27.05.20	30.06.20	28.07.20	23.08.20	29.09.20	27.10.20	30.11.20	05.12.20	(Extraordinary) 15.01.21	(Extraordinary) 19.01.21	09.02.21	
Caroline Walker													Attendance
David Pratt													Non-attendance
Joel Harrison													Apologies
Kanchan Rege													Not working
Graham Wilde													
Louise Tibbert													
Joanne Bennis													
Taff Gidi													
Arshiya Khan													
Non-Executive Directors													
Rob Hughes													
Mary Dowglass													
Sarah Dunnett													
Beverley Shears													
Gareth Tipton													
Mike Ellwood													
Ray Harding													
Mark Sanderson													
Christine Hill													

Compliance with fit and proper persons test

The Trust regularly reviews the fitness of Directors to ensure that they remain fit for their role. We require all Directors to complete an annual self-declaration form confirming that they continue to be a fit and proper person.

The Chief Executive Officer is responsible for appraising the Executive Directors and ensuring that all other relevant roles are appraised. The Chair is responsible for appraising the Non-Executive Directors.

The Chief Executive Officer is appraised by the Chair. The Chair is appraised through processes agreed with the Non-Executive Director Appointments & Terms of Service Committee and includes feedback from Governors, Non-Executive Directors and Executive Directors.

Individuals are required to make the Trust aware as soon as practicable of any incident or circumstances which may mean they are no longer to be regarded as a fit and proper person, and provide details of the issue, so that this can be considered by the Trust.

Any issues of non–compliance are to be notified to the Chair and he is responsible for making an informed decision regarding the course of action to be followed.

Register of Interests

Access to the Register of Directors' Interests. All Directors are required to comply with the Trust's code of conduct and declare any interests that may result in a potential conflict of interest in their role as director of the Trust.

The register of interests is available to view on the Trust's internet website (www.nwangliaft.nhs.uk). The details are also available from the office of the Company Secretary, who can be contacted on 01733 677926.

Council of Governors

How the Board of Directors and the Council of Governors operate

As an NHS Foundation Trust, our Council of Governors is a key part of our governance structure.

The Trust is accountable to its members through a Council of Governors. Governors help the Trust make decisions about our services and hold our Non-Executive Directors to account.

The Council of Governors represent the views of Foundation Trust members, representing the interests of the local and the wider communities, patients, public, staff members and stakeholders.

The Council of Governors is recognised for providing valuable contributions to the Trust. Developing a constructively challenging relationship between the Governors and the Board is integral to our success in driving forward improvements.

Statutory responsibilities of the Council of Governors include:

- appointment (and removal) of the Chairman and Non-Executive Directors and determining their remuneration and allowances;
- approval of the appointment of the Chief Executive Officer;
- appointment or removal of the Trust's external auditor;
- providing their view to the Board of Directors on the Trust's Strategy;
- to seek the views of the membership;
- to respond to the Board of Directors when consulted and to undertake functions as requested by the Board of Directors;
- to make recommendations for the revision of the Trust's Constitution;
- hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors;
- represent the interests of the members of the Trust as a whole and the interests of the public;
- approves significant transactions and applications for a merger, acquisition, separation or dissolution.

The Council of Governors are also presented with:

- the annual financial accounts
- any report of the auditor on them
- the annual report
- the quality account

The Council of Governors also contributes to:

- The Trust's annual business planning process

The Council of Governors is not responsible for the day to day management of the organisation, this is the responsibility of the Board of Directors.

The Council of Governors has clear statutory duties and also actively contributes to the Trust's strategic planning, while holding the Board of Directors to account.

There are a number of mechanisms to understand the views of the Governors and the members.

Directors attend the Council of Governors meetings on a routine basis to discuss current performance and issues. Governors attend the Board of Directors public meetings and, twice a year, the Board of Directors and Council of Governors have a joint meeting to discuss the development and achievement of strategy.

Composition of the Council of Governors

The Council comprises 30 Governors, seven staff Governors (elected), 17 public Governors (elected) and six partner Governors (appointed) - nominated from partnership organisations.

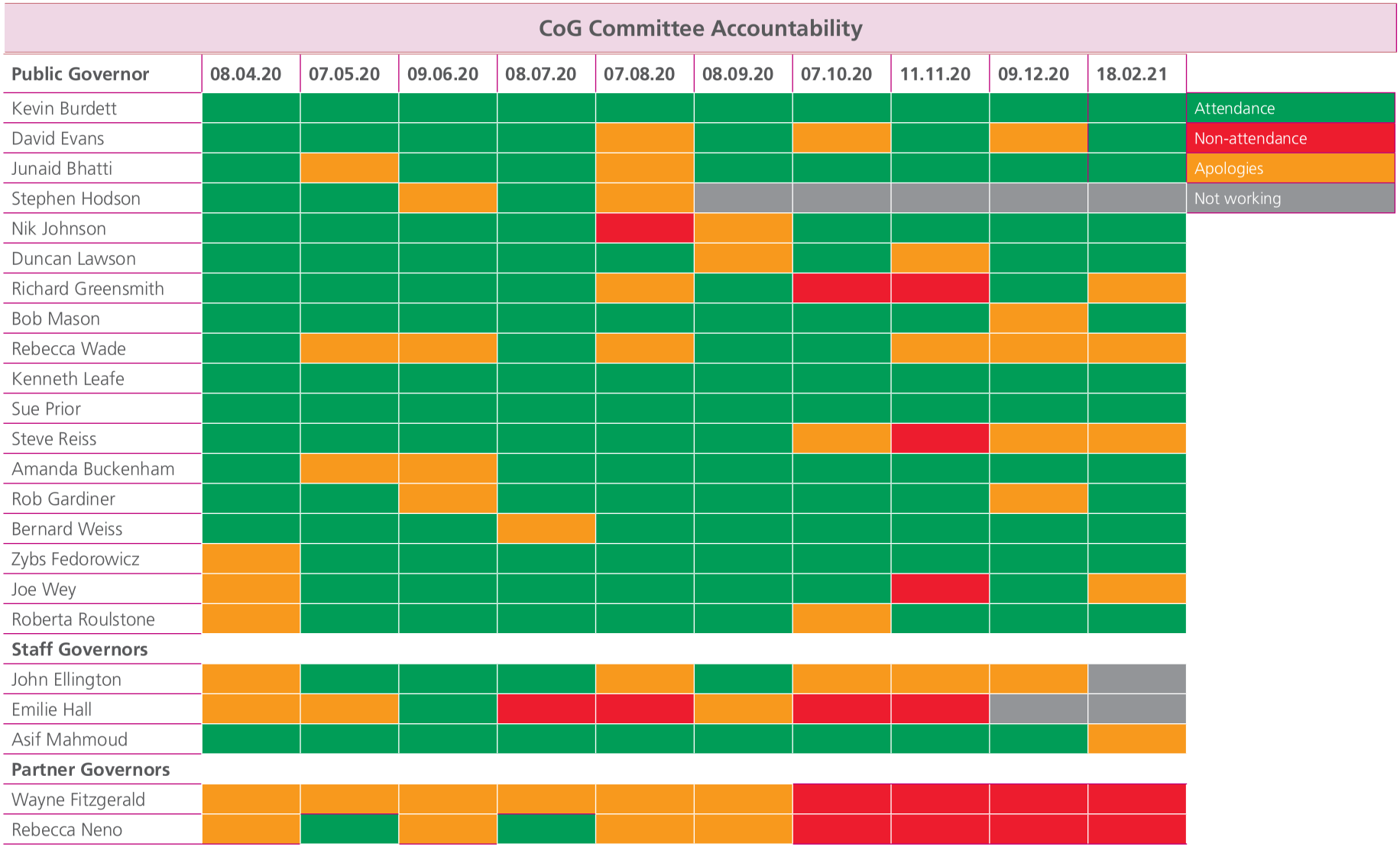
The usual term of office is three years. Nine years is the maximum a Governor can serve which is typically made up of three consecutive three-year terms. A Governor must be a member of the Trust in order to stand for election or appointment.

The Council of Governors meets formally on a quarterly basis. There were four full meetings in 2020-21:

- 9 June 2020
- 8 September 2020
- 9 December 2020
- 18 February 2021

Additional meetings including private meetings, workshops, and working groups were held. Executive and Non-Executive Directors were invited to attend. Details of Governor attendance is shown below.

Attendance at Council of Governors meetings



The Role of the Council of Governors

Our Non-Executive Directors play a vital role in challenging the Board in decision making and on the Trust's strategy. They are not full time NHS employees, but people with a keen interest in the NHS.

With knowledge and expertise gained from working outside the NHS, their valuable insight equips them to scrutinise and question the way the Trust does things.

Attendance at Board meetings has enabled the Governors to work closely with the Non-Executive Directors (NEDs) to obtain specific assurance in relation to the areas that concern Governors and our members.

Our Council of Governors uses a number of different ways to ensure they hold the Non-Executive Directors to account for the performance of the Board. These include:

- Observing the contributions of the Non-Executive Directors at Board meetings and Board sub committees with Governors in observing roles;
- Receiving the Chairman's reports on the recent performance of the Trust;
- Receiving the Board Sub Committee Assurance Reports.

During 2020-21 the Council of Governors received updates from each Chair of the following Board Committees:

- Audit Committee
- Charitable Funds Committee
- Finance and Digital Committee
- People and Culture Committee
- Performance and Estates Committee
- Strategy and Transformation Committee
- Quality Assurance Committee

There are a number of committees and groups which have been established to enable Governors to effectively undertake their key roles and provide appropriate assurance to the Council of Governors:

- NEDs Appointments, Terms of Service Committee, which leads on the appointment, re-appointment and remuneration of NEDs. The Committee is chaired by the Lead Governor;
- Membership Engagement Committee, which leads on ensuring the Trust has an effective Members & Public Engagement Strategy which improves engagement with all our hospitals. Identifies where and how all Governors can support the Members & Public Engagement Strategy and lastly, ensures that all Governors improve their understanding of the public so that they can better represent them;
- Task & Finish Groups (subject to requirements).

A range of activities and resources continued to be available to Governors throughout the year which included:

- The Governors' Handbook, which is refreshed periodically
- An in-house induction for all newly appointed Governors
- Promoting the full range of NHS Providers 'Govern well' training courses

The Board has continued to promote training and other departmental opportunities and Governors are encouraged to identify individual training requirements.

Throughout the year a key focus has been strengthening the engagement between Governors and Non-Executive Directors through working groups and committees as well as a number of informal meetings:

- Significant transaction of Stamford Hospital Land sale
- Annual Objectives
- Sustainable Transformation Programme
- Integrated Care Systems
- Integrated Care through the Northern Alliance
- 2021-22 Annual Planning process
- Strategy Developments
- Hospital Site Redevelopments
- Governor Self-Assessment
- Governor Elections
- Deputy Lead Governor vacancy
- NED Recruitment
- NED Assurance Roles
- Trust Constitution
- Diversity Training
- Annual Self Certification
- Freedom to Speak Up
- Future Governor Meetings and Development Topics
- Well Led Focus group

Lead Governor Statement

By Lead Governor The Rev Kevin Burdett

The Council of Governors note the Annual Report and Accounts 2020-21.

By any measure this reporting year has been very difficult for the Trust with the Covid-19 pandemic throughout. The considerable level of care and isolation required for Coronavirus patients has led to staff efforts, both in time and numbers, to be concentrated, understandably, to support this cohort of patients.

This has meant that other areas of care have been affected because of the need for isolation of high numbers of patients to protect other patients and indeed healthcare staff. However, despite the increased pressures on our Trust, we have been assured by the continuing initiatives incorporating our Trust values directed towards quality, compassion, dignity, respect, and person-centred care.

We have been particularly impressed by the tireless dedication of all the staff during these very difficult circumstances and their willingness to be redeployed to other roles when that has become essential.

As Governors we are able to focus upon and highlight any issues of concern from the community or, throughout the Trust which affect the care quality, experience and safety of people using the service. This has been more difficult during 2020-21 as we have been unable to visit our hospitals for meetings or observation in support of the papers we receive.

However, we have been impressed by the Trust's swift response in setting up online meetings using MS Teams for our Council of Governor meetings and to enable Governors to observe Trust Board committees and Board meetings. This has enabled us to note and be reassured by the performance of our Board of Directors, especially the Non-Executive Directors.

Due to the impact of the Covid-19 pandemic and the governance-lite structure implemented by the Trust, the timeframe for the Well-Led review, which includes discussions with external stakeholders as well as the Council of Governors, was delayed by three months and was therefore completed by the end of Q3 (December 2020).

The final report has been considered by the Trust Board and an improvement plan has been developed in response to the recommendations made in the report. This was presented to the Trust Board for approval in March 2021, including next steps as the Trust moves into the new financial year 2021-22.

Governors are pleased to note the dedication of the Trust and its staff and their commitment to implementing this plan as well as the recommendations of the CQC following its visit in 2019.

There have been a number of recent changes to the make-up of our Non-Executive Directors group and the Council of Governors has had input into their appointment.

We are excited as we look to the future with plans for redevelopment of both the Hinchingbrooke and Stamford sites which will assist in furthering improvements and efficiency of care available to patients.

We also note the transfer of the Peterborough Urgent Treatment Centre to Peterborough City Hospital which will extend the support offered to our patients.

This Annual Report and Accounts reflects the reassurance given to the Council of Governors both at its public and private meetings.

It is transparent about where we need to improve and positively reflects our Trust's achievements and innovations over what has been a very difficult and challenging year.

Annual Public Meeting

Due to the Covid-19 pandemic members participated in the first ever virtual Annual Public meeting which took place on 6 October 2020.

The Trust took the decision to limit attendance at meetings in order to keep staff and members safe during the pandemic and run a virtual LIVE meeting using Microsoft Teams. The meeting was presented by the Chairman, Rob Hughes.

Dr Kanchan Rege, Chief Medical Officer and Deputy Chief Executive Officer, gave a presentation entitled ' Our Trust response to the Covid-19 pandemic – the story so far'.

Chief Executive Officer, Caroline Walker presented the Annual Report and Accounts for the year 2019-20.

The Lead Governor, The Reverend Kevin Burdett was invited to give his response to the Annual Report and Accounts.

Looking forward

As a Foundation Trust we remain firmly part of the NHS, but we have more freedom and flexibility on how we run our services. The concept of a Foundation Trust rests on local accountability, which Governors perform a pivotal role in providing.

The Council of Governors collectively binds a trust to its patients, service users, staff and stakeholders. Influencing how our health services are shaped and provided is achieved through our public and staff membership, to which the trust is accountable through the Council of Governors.

Contacting the Governors

Governors can be contacted via the office of the Company Secretary, by telephoning 01733 677933 or by writing to:

The Company Secretary
North West Anglia NHS Foundation Trust
Department 404
Peterborough City Hospital
Edith Cavell Campus
Bretton Gate
Peterborough
PE3 9GZ

Governor Biographies

Chairman
Mr Robert Hughes
Term of office: 1 April 2017 to 31 March 2022

Rob served as Chairman of the former Peterborough and Stamford Hospitals NHS Foundation Trust from 1 April 2013 to 31 March 2017. A former Managing Director of Mars Food UK, he has wide experience in national and international strategic development, and all aspects of sales, marketing, manufacturing, logistics, financial management, mergers and acquisitions. He is a co-founder and Chairman of Anna's Hope, the children's brain tumour charity and a Trustee and Deputy Chair of Brain Tumour Research. Rob chairs the Trust's Strategy and Transformation Committee and is a member of the Cambridgeshire and Peterborough STP Board.

Public Governors Representing Huntingdonshire

The Rev Kevin Burdett
Term of office: 1 July 2018 to 1 July 2021

Reverend Burdett is Lead Governor. A retired church minister from Godmanchester, he previously served his community as Chairman of Fenstanton and Burwell Parish Councils. Born in Huntingdonshire, Reverend Burdett lived in Cambridgeshire for most of his life and has a keen interest in the county and its people. He chairs a national committee for the Baptist Union of Great Britain and is a Non-Executive Director of a local housing association. He was a member of the Eastern Baptist Association Council for more than 10 years, and chaired its committee from 2008 to 2011.

Professor Zbys Fedorowicz, PhD, MSc D.P.H, BDS, LDS RCS (Eng)
Term of office: 1 June 2019 to 1 June 2022

Professor Fedorowicz is an accomplished consultant who works nationally and internationally at government and healthcare policy-maker level. He interacts extensively with leaders in the scientific/ research not-for-profit sector, including the Cochrane Collaboration, the WHO and other eminent organisations across the international health spectrum. He is a leading advocate in the field of evidence- based medicine, has published a comprehensive range of scholarly works, and is an experienced speaker. His clinical experience is based on the delivery of dental care in a range of settings, from the diamond mines in Namibia, oilfield desert locations in Saudi Arabia and Abu Dhabi, to prestigious practice in Bahrain.

Rob Gardiner
Term of Office: 1 April 2020 to 31 March 2023

Rob worked as a nurse in the NHS for over 40 years and gained experience as both a clinician and manager in a variety of clinical settings. He acquired qualifications in several forms of nursing practice, including general, mental health, community and addictions. Rob undertook specialist trainings in counselling and psychotherapy.

On retirement, Rob maintained his interest in the NHS, currently acting as Chair of a Patient Participation Group, and as Chair of the Huntingdonshire Health and Care Forum. He is involved as a volunteer with St Neots Food Bank, Buckden Friends in Deed and the local vaccination programme.

Kenneth Leafe
Term of office: 1 June 2019 to 1 June 2022

After a career in the Royal Navy, Ken gained an MBA and worked as a management consultant supporting ambitious programs to improve service delivery in the Public Sector through restructuring, outsourcing and privatisation. From 2000 to 2012 he worked extensively overseas in Africa and the Caribbean on World Bank and nationally funded development projects with responsibility for overall project planning, implementation and capacity building to ensure long term sustainability of Government reform initiatives. He has lived in Huntingdonshire since 1987.

Bob Mason
Term of Office: 1 June 2019 to 1 June 2022

Bob has lived in Sawtry, Cambridgeshire since 1997. He retired from the RAF Police in 1999 after serving for 30 years as a Computer Security Specialist. He worked for the NHS Information Authority from 1999 to 2005 as a Senior Manager, where he handled computer security matters for the NHSnet roll out across the country. He retired in 2014 and volunteered with the Cambridge Constabulary High-Tech Crime Unit. He volunteers in the Emergency Department and Acute Assessment Unit at Hinchingbrooke Hospital and is a member of the Trust's Capital Committee.

Public Governors representing members in Greater Peterborough

Baron Junaid Bhatti
Term of office: 1 June 2019 to 1 June 2022

Junaid Bhatti has been a Cambridgeshire resident for the last decade. He's a Parish Councillor in Peterborough, and sits on several Scrutiny Committees with Peterborough City Council. He is a marketing and communications professional and has extensive experience working with governments at local and national level, as well as multiple STPs, CCGs, NHS Trusts, and health and social care providers.

Amanda Buckenham
Term of office: 1 April 2021 to 31 March 2023

Amanda has worked and volunteered for the NHS and other health organisations for 24 years. She has been a Governor at Huntingdon Nursery school for 11 years and previously worked as a Health Care Assistant at Hinchingbrooke Hospital and as a Community Development worker for the PCT. She is passionate about community engagement and manages the 'We Love Hinchingbrooke Hospital because' Facebook page, which has grown to more than 4,000 members.

David Evans
Term of office: 1 June 2019 to 1 June 2022

David joined the Royal Air Force in 1967. He served in regular service until 2006, he then transferred to the RAF Full Time Reserve. He currently serves at RAF Cranwell as the Wing Commander, Head of Branch, for Engineering and Logistics within the RAF Air Cadet Organisation at the headquarters of a volunteer youth organisation of over 52,000 members. During his long RAF career, David has lived and worked in many places in the world and spent a number of years in the Middle East which exposed him to many different cultures. The experience gained in living and working in these diverse environments has greatly assisted in representing the culturally wide-ranging population encompassed by the Trust.

Richard Greensmith
Term of office: 1 April 2020 – Resigned 17 March 2021

Having lived in Peterborough for over 39 years, Richard studied a BSc (HONS) Bioscience and Postgraduate in Higher Education Policy and has worked in higher education since 2018. During his employment, he has supported, represented and guided many students, both academically and pastorally, to achieve their potential while supporting an effective academic journey. During this time, Richard has been a member of the Board of Governors for a local university and has a passion for safeguarding and promoting the voices of others.

Rebecca Wade
Term of office: 1 April 2020 to 31 March 2023

Rebecca is a bid director within the construction sector. She has more than 10 years' experience managing high value, complex builds, including schools, hospitals, student accommodation and healthcare facilities. Eager to share best practice, Rebecca has spoken extensively about Modern Methods of Construction, procuring for value and the power of digitised construction at numerous industry forums. She is a Fellow of the Association of Project Management (FAPM), Member of the Institute for Collaborative Working (MICW) and Charted Manager of the Institute of Building (CIOB).

Bernard Weiss
Term of office: 1 April 2020 to 31 March 2023

Bernard is Emeritus Professor of Electronics from Sussex University; Fellow of the Royal Academy of Engineering and Honorary Fellow of the Institution of Engineering and Technology (IET). He was awarded a DSc and medals from Warsaw University of Technology and the IET for research in optoelectronics.

He was chair of the Engineering Advisory Board at Fudan University, Shanghai, China; the Wolfson School of Engineering, Loughborough University; external examiner at Universities in Malta and Hong Kong and Vice-Chair of St. Mary's University Twickenham Governing Body. He Chairs the IET Awards and Scholarships Committee and is a Trustee of the East Midlands Academy Trust

Public Governors representing members in Stamford and South Lincolnshire

Joe Wey
Term of office: 01 April 2020 to 31 March 2023

Joe has been a member of the Trust from its inception, joining the Patient-Led Assessments of the Care Environment (PLACE) in October 2019. Until December 2020, Joe worked in the Health and Social Care sector for 13 years, culminating in a Risk and Compliance role with a Peterborough-based national residential and nursing care provider. He also served as a Director with the Lincolnshire Care Association. Now a data security strategic lead with the Ministry of Justice, Joe brings valuable strategic insight into the role of Public Governor and hopes to continue to contribute meaningfully to the governing council.

Duncan Lawson
Term of office: 1 April 2017 to 31 March 2020 – Extended

Duncan has lived in the Stamford area since 1972. He was Chair of his local surgery patient participation group and a member of South Lincolnshire combined PPG and the Quality and Patient Experience committee of the South Lincs CCG. These roles allowed him to gain a good understanding of the local health economy and some insight into the concerns of local patients. Prior to that, Duncan was a Director of several companies, both locally and overseas.

Sue Prior
Term of office: 1 April 2020 to 31 March 2023

Sue is an NHS Volunteer and helps to advise and support social care staff in Peterborough and Cambridgeshire. She is also a trained volunteer adviser and supervisor for Citizens Advice. Before retiring, Sue was a county council contracts manager for Adult and Children's Social Care and worked in the aerospace industry as a national and international contracts negotiator. Her combination of experience brings financial and procurement expertise, patient experience and a wider understanding of community issues to her role.

Steve Reiss
Term of office: 1 June 2019 to 1 June 2022

Steve was elected public governor in 2019. He retired as a GP partner in Stamford after 28 years of service and continues to work as a part-time GP. He has considerable experience of the NHS and local issues and his particular interest is in the future development of Stamford Hospital.

Roberta Roulstone
Term of office: 1 June 2018 to 1 July 2021

Roberta was elected to represent members living in Stamford and South Lincolnshire. She lives in Thurlby and is a retired specialist midwife. For the past 20 years Roberta has worked for the NHS in a number clinical and strategic roles. She chairs her local Patient Participation Group and is a Governor observer on the Quality Assurance Committee.

Staff Governors representing staff at Hinchingbrooke Hospital

Dr Nik Johnson
Term of office: 14 June 2019 to 14 June 2022

Dr Johnson works as a children's doctor at Hinchingbrooke Hospital. He has worked closely with hospital staff across the Trust's geographical areas and Cambridgeshire, where he engages with public health bodies for mental health, social care, education and charity. Dr Johnson has combined clinical and managerial experience of planning and delivering high quality coordinated health care. His work across the communities enables him to meet, help and support people from all walks of life.

Staff Governors representing staff at Peterborough City Hospital

Mr Asif Mahmood
Term of office: 1 April 2017 to 31 March 2020

Asif is the Pathology Specimen Reception Manager at Peterborough City Hospital and has worked for the Pathology Department for more than 19 years.

He is passionate about the Trust and believes in its values and principles and is keen to be part of ongoing improvements at the Trust.

Partner Governors

Rebecca Neno – Lincolnshire CCG
Term of Office: 7 October 2019 to 6 October 2022

Rebecca has worked for the NHS for 25 years, and is Deputy Chief Nurse for Lincolnshire CCG and currently the Senior Responsible Officer for the Covid-19 Vaccination Programme within Lincolnshire. Rebecca has led on a number of initiatives that have improved patient safety and quality and she is committed to the delivery of care to patients with kindness, care and compassion.

Cllr Wayne Fitzgerald, Peterborough City Council
Term of office: 1 April 2017 to 31 March 2020 - Extended

Cllr Fitzgerald has served the Trust as a Partner Governor since 2017. He is Deputy Leader & Cabinet Member for Adult Social Care - Integrated Health and Public Health for Peterborough City Council.

Foundation Trust Membership

Social, community and human rights issues

Good engagement with our patients and the wider community is a key priority for the Trust, helping us understand what people need and expect from the services we provide. We use a variety of ways to engage with the communities we serve.

Foundation Trust membership

Membership of North West Anglia NHS Foundation Trust is divided into three constituency areas, based on the location of our three main hospital sites and the catchments they serve in Greater Peterborough, Huntingdonshire, and Stamford and South Lincolnshire. Public governors are elected from our membership to represent our members in each constituency.

There are six public governors each for the Greater Peterborough and Huntingdonshire constituency, and five for the Stamford and South Lincolnshire constituency. They sit on the Trust's Council of Governors, which meets four times a year in public. In 2020-21 these meetings were held online via the Microsoft Teams platform.

Who can be a member?

Public

Public membership of the Trust is open to anyone aged 16 or over who lives in the Trust's catchment area. All Non-Executive Directors and Public Governors are required to be public members of the organisation and staff governors are required to be staff members.

Staff

All permanent employees of the Trust are automatically made members upon commencement of employment, with the choice to opt out of the scheme if they wish. As well as permanent staff, those who are on short-term or temporary contracts lasting 12 months or more are also eligible for staff membership.

Trust members are expected to adhere to the principles of NHS Foundation Trust status. The Trust also expects members to be committed to its values.

Membership services

Membership services are provided by the Trust's Communications Department, which is responsible for engagement with Trust members as well as recruitment and retention. This is delivered in collaboration with the Trust Governors, particularly those that sit on the Trust's Membership Engagement Committee.

The Trust communicates with members on a regular basis, primarily through dedicated articles in its quarterly magazine, The Pulse, but also via email to members who have indicated they wish to be contacted in this way.

In addition, the Trust holds members' meetings and events. This includes our Annual Public Meeting. Members' Meetings in 2020-21 were paused due to a shift in focus towards managing operational issues during the Covid-19 pandemic.

However the Annual Public Meeting was staged virtually in September 2020. Members are still contacted to participate in online events, such as the Trust's Public Board Meetings. In 2021-22 members' meetings and events will resume fully via a mix of online and in-house arrangements.

Membership numbers

	31 March 2020	31 March 2021
Public membership	**7,927**	**7,727**
Staff membership	**6,705**	**6,971**
Total	**14,632**	**14,698**

Public membership statistics as at 31 March 2021

		Public members 2020-21
Age	**16**	1
	17-21	72
	22+	5,839
	Undisclosed	1,815
Ethnicity	**White**	5,207
	Mixed	47
	Asian or Asian British	325
	Black or Black British	52
	Other	47
	Undisclosed	2,049
Gender	**Male**	2,872
	Female	4,577
	Trans-gender	*
	Undisclosed	278
Recorded disability		*

* Data not available

Disclosures

Annual Report and Accounts

The Directors consider the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

'Fit and Proper' Persons Test

Requirements are included in the eligibility criteria for Directors and Governors regarding the need to meet the 'fit and proper' persons test described in the provider licence and incorporated into the Trust's Constitution.

Directors and Governors are required to confirm that they meet these requirements on an annual basis.

We have strengthened the Appointment to the Board of Directors incorporating Fit and Proper Persons Test Procedure during the year. The revised procedure includes an updated fit and proper person's declaration form and a fit and proper persons test checklist.

Accounts

The accounts have been prepared under the direction of NHS England and NHS Improvement and in accordance with the requirements of the National Health Service Act 2006.

The accounts show, and give, a true and fair view of the NHS Foundation Trust's income and expenditure, gains and losses, cash flow and financial state at the end of the financial year, and meet, as directed by NHS England and NHS Improvement, the requirements of the NHS Foundation Trust Annual Reporting Manual and comply with the cost allocation and charging guidance issued by HM Treasury.

A statement of the Chief Executive Officer's responsibilities as the Accounting Officer and requirements in preparing the accounts is included at page 6 of the accounts.

Accounting policies for pensions and other retirement benefits

Accounting policies for pensions and other retirement benefits are set out in note 1 to the accounts. Details of senior employees' remuneration can be found on page 62 of the Remuneration Report.

Regulatory Ratings

As a Foundation Trust, we are regulated by NHS England and NHS Improvement, the sector regulator of health services in England. NHS England and NHS Improvement's role is to protect and promote the interests of patients by ensuring that the whole sector works for their benefit. NHS England and NHS Improvement promotes the provision of services which are effective, efficient and economical and which maintain or improve their quality.

Duty of Candour

The NHS provides effective healthcare to millions of people every year. Although the majority of these people are treated safe and effectively, there is a risk associated with each treatment and evidence shows that things will, and do, go wrong, leading to some people being harmed no matter how professional and dedicated staff are.

The statutory requirement to implement Duty of Candour (DoC) was introduced in December 2014 and became part of the CQC's registration requirements. The intention of this regulation is to ensure that providers are open and transparent with people who use services and other 'relevant persons' (people acting lawfully on their behalf) in general, in relation to care and treatment.

It also sets out some specific requirements that providers must follow when things go wrong with care and treatment, including informing people about the incident, providing reasonable support, providing truthful information and an apology when things go wrong.

Freedom To Speak Up

A statement regarding Freedom to Speak Up is included in the Staff Engagement section of the Workforce Report.

Equality and diversity and human rights

Trust compliance with statutory Mandatory Equality and Diversity training for 2020- 21 was 94.6% of all Trust employees against a target of 90%. The Trust provides a range of policies and schemes to promote equality and diversity across all aspects of our services and throughout our employment practice.

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

Governance Standards

Licence

North West Anglia NHS Foundation Trust is a public benefit corporation formed on 1 April 2004 pursuant to Section 6 of the Health and Social Care (Community Health and Standards) Act 2003.

NHS England and NHS Improvement established the Trust under terms of authorisation as one of the first 10 NHS organisations to achieve NHS Foundation Trust status.

The original enabling legislation has been superseded by Part 2, Chapter 5 of the NHS Act 2006 and the regime was changed under the Health and Social Care Act 2012 to replace the terms of authorisation with a licence.

The licence sets out a range of conditions that the Trust must meet so that it plays its part in continually improving the effectiveness and efficiency of NHS health care services, to meet the needs of patients and taxpayers today and in the future.

There are nine general conditions contained within the licence, covering areas such as the provision and publication of information, payment of fees, fit and proper persons requirements, and a requirement for providers to be registered with the Care Quality Commission.

Continuity of services conditions ensure that providers of key NHS-funded services required by local commissioners (Commissioner Requested Services) meet certain conditions, so that if they get into very serious financial difficulty, NHS England and NHS Improvement can step in and ensure the services can continue to be provided on a sustainable basis.

The Trust is required to act in accordance with the conditions of the licence, which includes:

- The NHS Foundation Trust Code of Governance re-issued by Monitor (NHS Improvement) in December 2013;
- The Oversight Framework issued by NHS England and NHS Improvement on 30 September 2016;
- The NHS Foundation Trust Code of Governance re-issued by Monitor (NHS England and NHS Improvement) in December 2013;
- National standards of care as required by registration with the Care Quality Commission registration;
- The duty to cooperate with other NHS and local authority bodies;
- The need to meet Connecting for Health information governance standards;
- The need to participate in local and national emergency planning and provision;
- Terms and conditions of the contracts agreed for the provision of services with local Clinical Commissioning Groups (which incorporate requirements for national service targets).

NHS Oversight Framework

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

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

Segmentation

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

This segmentation information is the trust's position as at 8 April 2021. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England and NHS Improvement website.

Segment	Description
1	**Providers with maximum autonomy** - no potential support needs identified across our five themes – lowest level of oversight and expectation that provider will support providers in other segments
2	**Providers offered targeted support** - potential support needed in one or more of the five themes, but not in breach of licence (or equivalent for NHS trusts) and/or formal action is not needed
3	**Providers receiving mandated support for significant concerns** – the provider is in actual/suspected breach of the licence (or equivalent for NHS trusts)
4	**Special measures** – tthe provider is in actual/suspected breach of its licence (or equivalent for NHS trusts) with very serious/ complex issues that mean that they are in special measures

The Trust is currently in Segment three. Additional information relating to regulatory action can be found below.

This segmentation information is the Trust's position as at 8 April 2021. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS England and NHS Improvement website.

The Trust's performance is outlined below:

Regulatory Ratings 2020-21

Risk Ratings	Annual Plan	Q1: Apr to Jun	Q2: Jul to Sep	Q3: Oct to Dec	Q4: Jan to Mar
Single Oversight Framework Segmentation[1] 2020-21	3	3	3	3	3

[1]Rated 1-4, where 1 represents the lowest risk and 4 the highest

The Trust's performance for 2019-20 is below:

Regulatory Ratings 2019-20

Risk Ratings	Annual Plan	Q1: Apr to Jun	Q2: Jul to Sep	Q3: Oct to Dec	Q4: Jan to Mar
Single Oversight Framework Segmentation[1] 2019-20	2	2	2	2	2

[1]Rated 1-4, where 1 represents the lowest risk and 4 the highest

Regulatory Action

Enhanced Quality Governance Reporting
Arrangements are in place to ensure quality governance and quality are discussed in more detail within the Annual Governance Statement.

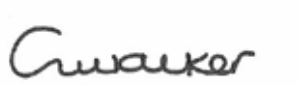
Code of Governance

The Code of Governance is best practice guidance and is designed to assist NHS foundation trust boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance.

North West Anglia NHS Foundation Trust has applied the principles on the NHS Foundation Trust Code of Governance on a 'comply or explain' basis.

The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. This code was refreshed in July 2018. The revised code and its associated guidance did not come into effect until January 2019.

It is the responsibility of the Board of Directors to confirm that the Trust complies with the provisions of the Code or, where it does not, to provide an explanation which justifies departure from the Code in the particular circumstances.



Caroline Walker
Chief Executive
11 June 2021

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of North West Anglia NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in North West Anglia NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts.

Covid-19 and internal control

The Covid-19 pandemic had a significant impact on the NHS operating environment. In March 2020 the Trust established a command and control structure which was in line with the Level 4 National Incident Response. This approach ensured the implementation of national guidance and directions during the pandemic.

The Board approved a temporary change in our Board level governance arrangements in March 2020; to be followed during Covid-19 response for an initial period of 12 weeks. This was then reviewed and revised effective from 1 July 2020. This was in line with the national guidance issued at the time. The changes which have been applied during the pandemic include:

- introduction of virtual Board, subcommittee and Council of Governors meetings including for Public meetings;
- Chairman and Chief Executive held weekly virtual meetings with Non- Executive Directors;
- revised financial governance arrangements were agreed based on national guidance to allow the Trust to be agile and respond quickly to the pandemic;
- Quality Assurance Committee continued to meet through the pandemic;
- all other subcommittees were suspended in the first phase of the pandemic and then were reinstated starting from 1 July 2020; and
- we implemented a process for managing Covid-19 risks alongside management of all other risks.

Update on the Trust's response to the pandemic and then the recovery work was reported through the command structure and the Board. Assurance was provided regarding the changing risks and controls required to support the Trust's response.

At the time of writing the impact of Covid-19 on quality and performance was being assessed. Recovery plans are in place to address issues such as elective care pathways. Where metrics or measures reported within the annual report have been impacted due to Covid-19 these have been highlighted within the relevant sections.

Capacity to handle risk

The Chief Executive is the Trust's Accounting Officer responsible for ensuring that the principles of risk management are embedded throughout the organisation. The responsibility for risk management processes is delegated to the Chief Nurse. The Company Secretary is responsible for Strategic Risk Management and the Board assurance Framework. Executive and Clinical Directors have collective responsibility for the appropriate undertaking and operational application of the risk management process within their sphere of responsibility.

The Trust's risk management process is designed to provide a systematic method of identifying risks whilst determining the most effective means to minimise or remove them.

The Trust maintains an organisation-wide risk register. This register promotes visibility and escalation, providing a repository from which assurance can be offered that risks are being identified and appropriately managed.

All risks recorded within the risk register are categorised according to the risk 'subject' and score. Each risk is aligned to a committee of the Board so that the level of assurance can be considered. The risk register is scrutinised by the following committees of the Board:

- Hospital Management Committee
- Quality Assurance Committee
- Audit Committee
- Finance & Digital Committee
- Performance & Estates Committee
- People & Culture Committee
- Strategy & Transformation Committee

The Audit Committee monitors assurance processes and seeks internal audit assurance on the risk management process. This is in order to provide independent assurance to the Board of Directors that risks are being properly identified and appropriate controls are in place. The Head of Internal Audit Opinion for 2020/21 was that the organisation has an adequate and effective framework for risk management, governance and internal control. However, the auditors work has identified further enhancements to the framework of risk management governance and internal control to ensure that it remains adequate and effective. Outcomes from internal and external audit are reported through the Audit Committee. The committee also has responsibility for oversight of implementation of audit recommendations. Inevitably some of the planned Internal Audit work was delayed during the Covid-19 pandemic.

Executive Directors, personally and collectively, review assurances against strategic objectives within their remit, on a monthly basis as part of the Board Assurance Framework. They ensure action is taken to address gaps in controls and proactively identify evidence of positive assurance.

In response to the findings of the Care Quality Commission in 2018, the Trust established a Task and Finish Group chaired by the Chair of the Audit Committee to review the Trust's risk management systems and processes in line with best practice. The Task and Finish Group was closed in December 2020 with the Audit Committee taking over responsibility for oversight of the remaining actions.

A range of staff lead on the implementation of risk management across the Trust. This includes specialists in quality governance, information management and technology, corporate governance, health and safety, business and emergency planning.

The responsibility for risk management is embedded across all levels in the Trust; from Board members, through Divisional Directors, to all managers and staff.

Named directors have specific responsibilities and accountability for risk, and these are laid out in the Trust's Strategic Risk Management Framework, which covers clinical and non-clinical risk, together with the responsibilities for all staff and management.

All staff (including Trust Board members) receive Risk Management training on various aspects of risk (such as information governance, fire, health and safety) as part of the Trust's induction programme. This training forms part of the mandatory courses provided by the Trust, which all staff undertake on a regular basis. The Trust's policies and procedures for managing risk are accessible to all staff via the Trust intranet. They aim to provide guidance on the conduct of risk assessments and the escalation of risk, as appropriate, in accordance with each staff member's level of authority and duties.

The Trust has arrangements in place to ensure that we learn from good practice through a range of mechanisms, including clinical supervision, reflective practice, individual reviews, appraisal and performance management, continuing professional development, clinical audit, internal audit and application of evidence-based practice.

While the Trust has established processes for learning from adverse events and patient feedback, the focus of our risk management approach is to proactively identify and avoid risks rather than simply react to risks that have materialised.

Reduction of risk and maintenance of quality are promoted by reinforcing a culture of openness, transparency and continuous improvement encouraging staff to identify opportunities to learn from patient feedback and improve the care and services we provide.

The risk and control framework

Risk is assessed at all levels in the organisation, from the Board of Directors to individual wards and departments. This ensures that both strategic and operational risks are identified and addressed.

The Board of Directors, supported by relevant committees, has overarching responsibility for reviewing integrated performance reports addressing, as required, emerging gaps in control, gaps in assurance and actions being taken to address these. The Trust also has various systems in place to oversee integrated performance at Executive and divisional level.

The Board of Directors meets bi-monthly in public and at every meeting it receives an Integrated Performance Report (IPR) which details risk, performance against key metrics and, where required, the action being taken to reduce identified operational and strategic risks.

This reporting to the Board of Directors is supported through the Trust's governance structure, in particular through the Board committees and the Hospital Management Committee. The Board regularly receives and reviews the Trust's Strategic risk register and any operational risks escalated from the committees. Each committee reviews high and significant risk relevant to their remit. The Hospital Management Committee also reviews all high and significant risks on a monthly basis and approves all high and significant risks before they can be added to the risk register.

The Trust has a board approved risk appetite statement which was updated during 2020-21. The Trust's risk appetite statement has been broken down into different domains with the risk appetite for each domain clearly set out.

The Board receives regular reports from each of its committees through a standardised assurance report. The report covers items for escalation. Key issues, risks and celebration of any innovation and successes.

Quality is embedded in the Trust's overall strategy. The Trust's Quality Report includes national and local priorities with measurable quality improvement targets and deadlines. Quality targets are linked to Divisions. The Trust's performance against the quality priorities is included in the Trust's Quality report which is reviewed monthly by the Board.

A DATIX risk management system is used to capture adverse events; outcomes of adverse event reporting includes considering any inherent risks that need to be addressed and the engagement of key stakeholders by reporting adverse events and by adopting the duty of candour to inform patients.

The Chief Nurse and the Deputy Company Secretary support the divisions by providing specialist advice on identifying and assessing risks and work with them to facilitate risk mitigation plans through training, education and other individual support.

Board Assurance Framework and Strategic Risk

The Board Assurance Framework (BAF) ensures the Trust's performance against its strategic objectives is monitored and managed; resulting in targets being met, objectives achieved, and good outcomes for patients. Where appropriate, objectives may be modified with agreement of the Trust Board to ensure objectives remain relevant to the ongoing requirements of the Trust throughout the year.

Threats to the delivery of the Trust's Strategic Objectives are recorded in detail in the Board Assurance Framework. The framework document also details the actions to be taken to provide additional assurance and to counter the identified threats.

The Trust also maintains a Strategic Risk Register which is owned by the Board. Strategic risks are defined as risks that impact on the Trusts ability to achieve its overall objectives. The Executive Team as tasked with maintaining the Strategic Risk Register on behalf of the Board, ensuring that the register is reviewed and updated regularly and reported to the Trust Board via the Public Board meeting. The Strategic Risk Register is aligned to the Trust's Board assurance Framework.

There is a defined process for the BAF and strategic risks to be subject to regular review by the Board of Directors, Board Committees and Hospital Management Committee.

The Trust's Quality Strategy and Quality Governance Framework set the direction through which quality is managed and assured in the Trust. Risk management is a key element of this framework, which brings together the Trust's vision for quality (right care; first time; every time) with national and Trust roles and responsibilities, Trust strategic objectives, risk management, capabilities and structures and processes.

> "I attended Stamford Hospital for an MRI scan. I was met at the door by a Healthcare Assistant who was very friendly and reassuring. The person who performed my scan was very professional, kind and reassuring. Considering how under pressure staff are during the current Covid-19 outbreak, I received excellent care."

High Level Risks

The key high-level financial and non-financial risks faced by North West Anglia NHS Foundation Trust, both in-year and in the future, are as follows:

Risk ID	Risk Description	Risk Score
102278	Hinchingbrooke: FAC040 V3 Legionella – management and technical control	25
102920	CCTV at Hinchingbrooke Hospital	16
103063	Mechanical failure of the main building structure (RAAC panels) at Hinchingbrooke Hospital	20
101561	Prevention of patient falls	16
102609	Non-clinical policies past due date do not guide practice appropriately	16
102223	Hinchingbrooke: Patient safety risk due to theatre and radiology air handling plant room failures	20
103226	Inability to provide oxygen due to aa single points of failure could result in compromised patient safety	20
102974	Potential clinical harm will occur due to delay in diagnostic examinations in Endoscopy	16
101600	Failure to meet 19 week target – Hepatology/Gastroenterology PCH and HH	16
103115	COVID-19 Risk to patients and staff due to lack of Respiratory Consultant staff on B12 at PCH with inability to meet the proposed respiratory surge plan	16
102972	The delivery of respiratory medicine is compromised due to Consultant vacancies	16
103045	Delayed or failed Cardio-respiratory out-patient follow ups at HH will compromise patient care	16
102889	Insufficient medical cover for critical care services at Hinchingbrooke Hospital	16
102891	Missing the window for active treatment for urology patients risking inability to offer curative treatment and premature death	20
103026	Increased waiting times for new appointments in Dermatology and insufficient capacity to meet demand	16
103196	Lack of security within Mortuary putting Trust at risk of service suspension	16
102971	The clinical environment requires refurbishment on SCBU	16
103074	Potential risk to maintaining safe staffing levels in maternity services due to vacancies and maternity leave	20

The Trust has mitigating actions in place to minimise the potential impact of these risks so far as possible, with the impact of these assessed through reports to the Board and in particular the metrics set out in the monthly Integrated Performance Report.

North West Anglia NHS Foundation Trust seeks to reduce risk as far as possible; however, delivering healthcare carries inherent risks that cannot always be eradicated completely. The Trust seeks assurance that controls continue to be monitored for risks that cannot be reduced any further. On this basis, risks are tolerated in line with an organisational risk appetite.

Involvement of public stakeholders

The Trust serves a wide and diverse community which encompasses Peterborough, parts of Cambridgeshire, South Lincolnshire, Norfolk, Northamptonshire and Leicestershire. It also works with local authorities and clinical commissioning groups. Given these complexities, there is a strong desire to work closely with the local community to provide coherent and effective services.

The Trust provides information and assurance to the public on its performance against its principal risks and objectives in a number of different ways including:

- North West Anglia NHS Foundation Trust had approximately 14,698 public and staff members as at the end of March 2021. These are represented by a Council of Governors that comprises public, staff and partner representatives.
- The Council of Governors has the primary responsibility for holding Non- Executive Directors to account for the performance of the Trust. They do this through reports from Non-executive chairs of Board committees, other reports and from observing Board and committee meetings.
- Consultation with the public and organisational stakeholders is undertaken in developing new services and where key changes are proposed to existing services which may impact upon them, with communications plans supporting all such developments.
- As part of their duties to represent the public and the Trust membership, the Council of Governors is developing methods of engagement with members and the public including members meetings.
- The Trust also engages with members directly through membership meetings and other regular communications.
- The Trust holds an Annual Public Meeting where members, Governors and the public are invited to attend.

Compliance with CQC

Following the inspection by the Care Quality Commission (CQC) in July to September 2019, a comprehensive action plan was compiled in December 2019 upon receipt of the final report and in response to the recommendations made. A total of 59 recommendations were made – 38 'MUST' and 21 'SHOULD'.

The Chief Nurse oversees the implementation of the CQC action plan and has put mechanisms in place to regularly engage with clinical and corporate teams on this. A number of actions had already been completed at the beginning of the financial year 2020-21.

Good progress against the recommendations has been made in year, however there has inevitably been some impact on completion of some actions due to the COVID-19 pandemic.

The few actions that remain outstanding as at the end of March 2021 will continue to be monitored into 2021-22 which will be prioritised for completion as the Trust emerges from the pandemic. The Trust's Hospital Management Committee and Quality Assurance Committee provide assurance to the Trust Board on the progress against the action plan.

Over the past year, the Trust has developed a close working relationship with the CQC Relationship Officer appointed to work with the Trust. The Chief Nurse, Care Quality Support Manager and Care Quality team maintain regular contact with the Relationship Officer via telephone and virtual meetings every four-six weeks, and share data in relation to serious incidents, complaints and issues of concern on a weekly basis.

The meetings also review progress against the CQC action plan and discuss areas of good practice, concerns or issues that should be raised with the CQC. These collaborative meetings have been pivotal in developing and maintaining a strong, honest and open relationship with the CQC.

The Trust has been commended for its responsiveness to urgent enquiries received and our transparency in informing the CQC team of such potential issues.

Due to the Covid-19 pandemic, the CQC have altered the way they monitor Trusts, and have produced focussed guidance on specific areas of interest for the Trust to respond to and provide evidence against, which has then formed the subject for focussed review meetings between the CQC inspection team and the Trust.

Examples include infection prevention and control, urgent and emergency care, maternity, RESPECT forms and cancer care. NWAngliaFT has fully participated in each of these reviews throughout the course of the year.

On 21 December 2020, a small team from the CQC undertook an unannounced inspection in the Emergency Department at Peterborough City Hospital to review the Trust's response to winter pressures. The CQC published the final report on 24 February 2021 which included the following recommendations:

- As patients were not being cohorted in corridors, at times of peak pressure, patients were being held on ambulances due to capacity issues within the wider hospital.
- People could not always access the service when they needed it. Waiting times from referral to treatment and arrangements to admit, treat and discharge patients were not in line with national standards.
- Leaders and teams used systems to manage risk however performance issues remained that impacted on the quality and safety of care.

The report also stated that the inspection team had observed how positively the Emergency Department team responded to winter pressures, and focussed specifically on patient safety, infection prevention and control, patient flow, workforce leadership and culture. The inspection was not rated therefore there was no change to the overall rating for Urgent Care at PCH.

Developing Workforce Safeguards

The Trust uses the e-rostering system, to assess staffing versus acuity and to support decision making. The Quality Assurance Committee receives monthly safe staffing reports following consideration at the Non-Medical Workforce Board. The Trust annual leave policy requires staff to take 25% of their leave every 3 months and for periods of peak demand and/or staffing levels to be taken into account.

A range of quality, finance, performance and workforce metrics are in place to monitor and report progress. These are considered at Divisional, Committee and Trust Board on a regular basis. These include staff and patient experience, people productivity and financial sustainability.

Medical job planning is closely monitored and controlled via the Medical Workforce Board, with sign off on jobs plans being done by Divisional Directors supported by the Corporate Medical Staffing Lead. Changes to jobs plans are signed off only if there is available budget and it meets activity requirements. The annual operational plan takes account of activity, finance and workforce and is signed off by the through Trust governance meetings ahead of the Trust Board.

More dynamic workforce planning and resource planning is being developed further with the operational divisions during 2021-22 building on some of the learning from the pandemic in 2020-21.

Bank and agency staff usage has reduced considerably since 2018/19 following more robust oversight and controls as well as successful improvements in recruitment to reduce vacancy levels. All staffing gaps are captured on the e- rostering system and fill is sought first from the staff bank and then from agencies.

CQC Registration

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

Register of Interests (including Gifts and Hospitality)

The foundation 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.*

Compliance with NHS Pension Scheme regulations

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.

Compliance with Equality, Diversity and Human Rights Legislation

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. The Board receives all statutory reports and ensures statutory submissions in line with the law.

Equality impact assessments are required for all new Trust business cases, changes to service and all policy development and review, including employment- related policies.

The Gender Pay Gap data for March 2020 will be published later in 2021 in line with Government requirements.

Compliance with Climate Change Act (Adaption Reporting Requirements)

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

Modern Slavery and Human Trafficking Act 2015

The Trust's approach in meeting the requirements of the above Act has led to the development of a Board statement. This statement was refreshed, and signed off by the Trust Board in July 2020. This statement was developed in conjunction with the Trust's Head of Procurement.

This statement is considered to be an element of the Trust's commitment and demonstration of the need to be aware of this requirement, and associated values relating to equality, diversity and community relations.

NHS Foundation Licence condition FT4 (FT Governance)

The Trust has a provider licence and condition FT4 relates to the Trust's governance arrangements. This condition requires the Trust to:

- have an effective committee structure;
- have clear responsibilities for the Board, the Board committees and staff reporting to the Board and the Board committees;
- have clear reporting lines and accountabilities;
- ensure compliance with the requirement to operate efficiently, economically and effectively;
- have timely and effective scrutiny and oversight by the Board of the Trust's operations;
- ensure compliance with health care standards;
- have effective financial decision-making, management and control;
- obtain and disseminate accurate, comprehensive, timely and up to date information for Board and committee decision-making;
- identify and manage material risks to compliance with the Licence conditions;
- generate and monitor delivery of business plans;
- ensure compliance with applicable legal requirements;
- ensure appropriate personnel on the Board and reporting to the Board;
- submit a corporate governance statement confirming compliance and a statement from the external auditor regarding compliance with the statement.

Each year the Audit Committee requires assurance on Board committee working, including compliance with their terms of reference. These committees meet routinely, covering the breadth of the Trust's quality, finance and performance requirements, while providing scrutiny prior to each monthly Board meeting. Individual committees have systems in place for assessing their own effectiveness annually. There is no current regulatory action in place.

Well-Led Governance review

The Trust appointed Arden & GEM to conduct an independent review of the Trust's governance arrangements against the Well Led Framework. The review commenced in August 2020 with a final report issued in December 2020. The Board has now agreed an improvement plan and implementation will be monitored by the Board.

This is in line with the guidance on developmental reviews of leadership and governance using the well-led framework published in June 2017.

Recommendations from the review fall into three categories:

- Areas where the Trust needs to do things differently;
- Areas where the Trust needs to communicate differently; and
- Areas where the review identified recommendations based on their observations, but the Trust can evidence that no additional improvement actions are required because relevant actions have already been taken.

Themes identified from the review include:

- Finalisation of the ongoing work relating to the Trust's risk management and Board Assurance Framework;
- Full implementation of Continuous Quality Improvement Approach; and
- Leadership and organisational culture

Health & Safety

There is an ongoing Health & Safety Executive investigation covering:

- Three members of staff who died within 28 days of a positive Covid-19 test;
- Covid secure measures to reduce transmission amongst the workforce outside of clinical areas; and
- General workplace safety – compliance with The Workplace (Health, Safety and Welfare) Regulations 1992 (ventilation / heating / toilets / rest facilities)

There has been no decisions made regarding enforcement action against the Trust. The Trust will take necessary action as required once the review has been concluded in line with the findings and recommendations from the Health & Safety Executive.

Ahead of this, the Trust continues to take internal action including a review of Health & Safety governance from staff and line managers all the way through the Trust Board. This will start in June 2021 to be complete by 31 July with recommendations and implementation from August onwards. In parallel line managers training will be reviewed alongside health and safety policies and practice.

The annual H&S report for 2020-21 is due to be considered by the People and Culture Committee in July.

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

The Trust ensures economy, efficiency and effectiveness through a variety of means, including:

- a robust pay and non-pay budgetary control system;
- a suite of effective and consistently applied financial controls;
- effective tendering procedures;

- robust control of staffing levels;
- continuous service and cost improvement and modernisation.

The Trust benchmarks efficiency in a variety of ways, including through the national reference costs index and by comparison with key indices such as length of stay and day case percentages.

The Board of Directors performs an integral role in maintaining the system of internal control supported by the Audit Committee, internal and external audit, and other key bodies.

Each year the Trust produces an Annual Plan, which sets out planned action for the year and risks against achieving those actions. The Trust aims to ensure that its Annual Plan is challenging but realistic and achievable, ensuring quality of care is at

the forefront of the Trust's business planning, while reducing costs, driving efficiencies, promoting good clinical outcomes, a good patient experience and patient safety.

Detailed financial planning is part of the Trust's regulatory requirements, with challenging cost improvement plans and an acknowledged financial deficit plan, and with actions being taken across the wider Cambridgeshire and Peterborough local health economy to ensure the clinical and overall long-term financial sustainability of providers.

Structured below the Annual Plan are divisional plans, and capacity plans which detail specific objectives and milestones to deliver actions. To ensure delivery of planned actions, there is continual review of progress against plans within Divisions, and plans for cost savings are scrutinised by Executive Directors independently and at performance meetings. The Finance Committee monitors the achievement of plans (while maintaining and improving quality and safety).

The emphasis in Internal Audit work is on providing assurances to the Audit Committee and to the Board on internal controls, risk management and governance systems. Further work is to be undertaken to ensure that corporate internal controls are embedded at an operational level.

The Head of Internal Audit has provided an opinion of assurance for the year as follows: For the 12 months ended 31 March 2021, the head of internal audit opinion for North West Anglia NHS Foundation Trust is as follows: The organisation has an adequate and effective framework for risk management, governance and internal control. However, the auditors work has identified further enhancements to the framework of risk management governance and internal control to ensure that it remains adequate and effective.

These accounts have been prepared on a going concern basis.

There is no presumption of going concern status for NHS foundation trusts. Directors must decide each year whether or not it is appropriate for the NHS Foundation Trust to prepare its accounts on the going concern basis, taking into account best estimates of future activity and cash flows.

International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of services to another entity or has no realistic alternative but to do so. Further, the ongoing provision of services underpinned by Trust, and wider Integrated Care System longer term plans and strategies, support this principle.

Further, Management have considered the 2020/21 financial performance and position to inform the assessment:

- On an adjusted financial performance basis the Trust achieved a surplus for 2020/21 of £0.1m for the 2020/21 financial year;
- As at 31 March 2021 the Trust held a cash balance of £76.7m; and
- The Trust is not subject to any enforcement action with regards to finances.

North West Anglia NHS Foundation Trust's Board of Directors has carefully considered the principle of going concern. After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual. For this reason, the accounts have been prepared on the going concern basis. Information governance.

Data Security & Protection (DSP) Toolkit

Following its launch in April 2018, the Data Security and Protection Toolkit is completed by the Trust as:

- A health and care organisation which shares access to patient data
- An organisation that accesses NHS Digital systems, such as NHS Mail or the Spine
- An organisation that provides services under a standard NHS contract

The DSPT retains the general principle that organisations should demonstrate that they can be trusted with the confidentiality and security of personal information. It also supports organisations to meet the requirements of new legislation including the likes of the General Data Protection Regulation (GDPR) and Network and Information Systems (NIS) Directive.

Internal audit conducted an advisory review of the DSP Toolkit. Issues were however found with respect to the tracking of actions relating to Evidence Items and the governance arrangements to oversee progress with the DSP Toolkit. In terms of our sample testing of assertions, issues were also noted with regards to data security requirements within employment contracts, data security and protection

training needs analysis, management of unsupported IT hardware and software, and due diligence on suppliers that handle personal data. Further areas of improvement were also identified. The Trust has taken cognisance of the issues identified. The toolkit is not due for submission until 30 June 2021, therefore a number of those issues will be addressed ahead of the final submission. An implementation plan will then be agreed for any outstanding actions.

Data Security Incident Reporting

There was one reported Data Security Incident which was notified to the Information Commissioners Office (ICO) and this was closed with no action from the ICO. In June two paper-based HR staff personnel files were found to have become missing and this was due to human error. A reminder was issued across the Trust to re- enforce existing training and policy for all staff.

Training

The Data Security & Protection Toolkit requires 95% compliance, so we need to keep focussed on promoting our sessions and the online module. It is important we continue with these sessions as it not only enables staff to talk about any specific issues they may be facing in their departments but to further promote our "two second rule" initiative and working from home security tips as per our recent communications updates.

We delivered our first MS Teams session during March. Attendance levels, despite a promotional campaign via our Communications department and Facebook was disappointingly low. Around twenty were booking a place on the training but less than 50% logged on for the session. This is a theme that continues from our face-to- face sessions, in that staff are booking into the training and then not turning up.

Control of Patient Information

The Secretary of State for Health and Social Care has issued a Notice under Regulation 3(4) of the Health Service (Control of Patient Information) Regulations 2002 (COPI).

This means the Trust has been legally required to share confidential patient information with organisations entitled to process this for COVID-19 purposes.

Freedom of Information

Compliance with FOI has maintained good performance levels. We achieved 89 % compliance against the 20-day response rate for the financial year 2020/21, with 560 FOI requests received. In line with guidance from the Information Commissioners Office (ICO) a number of responses to requests received during the pandemic were delayed.

Data Quality and Governance

The Trust has robust data quality procedures in place that ensure the robustness of data used in the Quality Account. These data quality procedures range from ensuring data is input into transactional systems correctly, information is extracted and interpreted accurately and is reported in a way that is meaningful and precise. All staff that have a responsibility for inputting data are trained fully in both the use of the systems and how the information will be used.

Steps put in place to assure the Board that appropriate controls are in place to ensure the accuracy of data, include the following:

- The Trust has a robust process for scrutinising and revising local policies and monitoring compliance with NICE and other best practice guidelines. Annual audit programmes include the assessment of compliance with best practice guidance at both local and national level. This provides assurances to the Board that the quality of clinical care is based on the best clinical practice recognised nationally and that policies are up to date, appropriate and meet legislative obligations;

- The Trust has a Data Quality Group which is responsible for reviewing the way data is captured and recorded, in order to ensure accuracy and robustness. Internal and external data audits are undertaken, focusing on data quality and associated process and procedures.

The Quality Assurance Committee reports directly to the Board on quality issues. It works to ensure that appropriate assurance on quality governance is provided, in order to enable the Board and the Audit Committee to be satisfied on this area of internal control. The Quality Assurance Committee is chaired by a Non-Executive Director and includes external representatives from local Clinical Commissioning Groups and Healthwatch, as well as governor observation.

At an operational level, the Trust's Quality Governance Operational Committee is chaired by the Chief Medical Officer, and provides leadership and support for the clinical divisions in meeting quality governance requirements. It acts as a multi- disciplinary forum for clinical matters relating to the safety and quality of patient experience and ensures adequate processes are in place to deliver robust risk assessment and management activities.

Quality reviews are carried out on a monthly and quarterly basis at a Divisional and Trust level. These enable the monitoring of clinical quality improvements and provide assurance on compliance with the best practice standards at all levels of service.

The Trust's Board of Directors, Quality Assurance Committee and Quality Governance Operational Committee receive data from a number of different sources so that the quality information can be triangulated and reviewed from a number of different perspectives.

The quality of data is audited through specific governance indicator reviews and Divisional deep dives by the quality assurance committee monthly and rotated. Local data, including the Matrons' Balanced Scorecard, are referenced against complaints, litigation, adverse events and PALS data, clinical benchmarking from

Dr Foster, the Quality Risk Profiles/Intelligent Monitoring Tool produced by the CQC, peer review and regulatory visits.

Review of effectiveness

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

The Board of Directors also receives assurance through the Board sub-committees: Quality Assurance Committee, Finance and Digital Committee, Performance and Estates Committee, Remuneration and Nominations Committee, Strategy and Transformation Committee and People and Culture Committee. The work of these committees, together with the Audit Committee, is kept under review to ensure that there is complete oversight from the Audit Committee on the Trust's system of internal control. The Trust revised its Board committee structure and implemented a new structure effective from January 2021 as outlined above. This further strengthened the Trust's Board level assurance.

Conclusion

The Annual Governance Statement requires me to consider whether there are any significant internal control issues facing the Trust.

While there are strong mechanisms for ensuring the quality of care received by the Trust's patients is maintained and improved. The organisation has an adequate and effective framework for risk management, governance and internal

control. However, the auditors work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

We have been, and continue to operate during unprecedented times as a Trust, a National Health Service and country as we continue to cope with the global Covid-19 pandemic. During 2020-21 the impact of the pandemic was both prolonged and significant. This impacted on the Trusts normal control framework, in particular:

- changes to the Trust's governance arrangements with the adoption of revised corporate and financial governance arrangements in line with national guidance;
- a reduction in capacity due to staff being redeployed to support the Trust response to the pandemic, or due to staff sickness;
- increased remote working;
- delays to planned work due to the pressure on management and the need to address changing priorities;

Despite the enormous impact of Covid-19 on our patients, staff and volunteers, we are now planning our road to recovery to ensure those patients whose care has been delayed can be seen as soon as possible.

Our services post Covid-19 will undoubtedly see changes as a result of the learning we have gathered during such unprecedented times. However, we remain committed to improving and developing the care we provide to our patients.

Caroline Walker
Chief Executive
11 June 2021

SECTION 2

Annual Accounts for the Financial Year Ended 31 March 2021

North West Anglia NHS Foundation Trust

Annual accounts for the year ended 31 March 2021

Statement of the Chief Executive's responsibilities as the accounting officer of North West Anglia NHS Foundation Trust

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

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

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

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

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

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

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

Caroline Walker
Chief Executive
11 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF NORTH WEST ANGLIA NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2021 and of the Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and the Department of Health and Social Care Group Accounting Manual 2020/21.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

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

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

As required by auditing standards, we performed procedures to address the risk of management override of controls, the risk of fraudulent revenue recognition, and the risk that Group 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 also 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 those journals with other unusual characteristics;
- Assessing significant estimates for bias.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.
- Agreeing a sample of year end accruals to relevant supporting documents, including actual invoices after year end, where applicable.
- Performing cut-off testing of income and expenditure in the period from 1 March 2021 to 31 May 2021 to determine whether amounts have been recorded in the correct period.
- 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 management and from inspection of the Trust's regulatory and legal correspondence and discussed with the 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.

Firstly, the Trust is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

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

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

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

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

Other information in the Annual Report

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

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

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

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2020/21.

Accounting Officer's responsibilities

As explained more fully in the statement set out in Section 2 of Annual report and accounts, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of their services to another public sector entity.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

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

We have nothing to report in this respect.

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

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

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

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

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

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if:

- any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006.
- any matters have been reported in the public interest under paragraph 3 of Schedule 10 of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

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

This report is made solely to the Directors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors 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 North West Anglia NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Fleur Nieboer
for and on behalf of KPMG LLP, Appointed Auditor
Chartered Accountants
London

16 June 2021

Foreword to the accounts

North West Anglia NHS Foundation Trust

I am pleased to present our Annual Accounts for the year ended 31 March 2021.

These accounts have been prepared by North West Anglia NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

It has been a year like no other for the NHS as a whole, and certainly for the staff, patients and volunteers in our hospitals. The accounts presented reflect a period in which the trust and wider NHS responded to the wide-scale impact of the Covid-19 pandemic.

C N Walker
Chief Executive
11 June 2021

Statement of Comprehensive Income

	Note	2020/21 £000	2019/20 £000
Operating income from patient care activities	3	502,153	429,272
Other operating income	4	81,135	92,141
Operating expenses	5, 7	(563,007)	(500,323)
Operating surplus from continuing operations		**20,281**	**21,090**
Finance income	10	7	126
Finance expenses	11	(18,840)	(20,678)
PDC dividend expense		(3,573)	-
Net finance costs		**(22,406)**	**(20,552)**
Other losses	12	(30)	(96)
(Deficit) / surplus the year from continuing operations		**(2,155)**	**442**
(Deficit) / surplus for the year		**(2,155)**	**442**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	6	(15,906)	(4,745)
Revaluations	13	24,231	861
Total comprehensive income/(expense) for the period		**6,170**	**(3,442)**
Memorandum / Adjusted financial performance (control total basis):			
(Deficit) / surplus for the period		(2,155)	442
Remove net impairments not scoring to the Departmental expenditure limit	6	3,533	70
Remove I&E impact of capital grants and donations		(728)	194
Remove net impact of DHSC centrally procured inventories		(571)	-
Remove 2018/19 post audit PSF reallocation (2019/20 only)		-	(656)
Adjusted financial performance surplus		**79**	**50**

The notes on pages 15 to 52 form part of these accounts.

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Property, plant and equipment	13	478,458	454,082
Receivables	16	39,117	39,795
Total non-current assets		**517,575**	**493,877**
Current assets			
Inventories	15	6,557	6,031
Receivables	16	19,890	39,141
Non-current assets for sale and assets in disposal groups	17	1,725	407
Cash and cash equivalents	18	76,705	33,083
Total current assets		**104,877**	**78,662**
Current liabilities			
Trade and other payables	19	(60,479)	(40,195)
Borrowings	21	(11,892)	(280,633)
Provisions	23	(3,487)	(703)
Other liabilities	20	(5,175)	(3,222)
Total current liabilities		**(81,033)**	**(324,753)**
Total assets less current liabilities		**541,419**	**247,786**
Non-current liabilities			
Trade and other payables	19	(124)	(119)
Borrowings	21	(318,132)	(330,025)
Provisions	23	(2,087)	(2,070)
Other liabilities	20	(333)	(413)
Total non-current liabilities		**(320,676)**	**(332,627)**
Total assets employed		**220,743**	**(84,841)**
Financed by			
Public dividend capital		602,264	302,850
Revaluation reserve		92,889	84,564
Income and expenditure reserve		(474,410)	(472,255)
Total taxpayers' equity		**220,743**	**(84,841)**

The notes on pages 15 to 52 form part of these accounts.

C N Walker
Chief Executive
11 June 2021

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2020 - brought forward	**302,850**	**84,564**	**(472,255)**	**(84,841)**
Deficit for the year	-	-	(2,155)	**(2,155)**
Impairments	-	(15,906)	-	**(15,906)**
Revaluations	-	24,231	-	**24,231**
Public dividend capital received	299,414	-	-	**299,414**
Taxpayers' and others' equity at 31 March 2021	**602,264**	**92,889**	**(474,410)**	**220,743**

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2019 - brought forward	**298,549**	**88,448**	**(472,697)**	**(85,700)**
Deficit for the year	-	-	442	**442**
Impairments	-	(4,745)	-	**(4,745)**
Revaluations	-	861	-	**861**
Public dividend capital received	4,301	-	-	**4,301**
Taxpayers' and others' equity at 31 March 2020	**302,850**	**84,564**	**(472,255)**	**(84,841)**

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend. In 2020/21, the Trust was issued £268m PDC to enable the repayment of specific outstanding balances at 31 March 2020, which was repaid on 9 September. In addition there was capital PDC of £31m.

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		20,281	21,090
Non-cash income and expense:			
Depreciation and amortisation	5	21,180	17,218
Net impairments	6	3,533	70
Income recognised in respect of capital donations	4	(989)	(104)
Decrease / (increase) in receivables and other assets		19,992	(5,679)
Increase in inventories		(526)	(596)
Increase in payables and other liabilities		23,022	5,986
Increase in provisions		2,801	238
Net cash flows from operating activities		**89,294**	**38,223**
Cash flows from investing activities			
Interest received	10	7	126
Purchase of PPE and investment property		(41,280)	(35,411)
Sales of PPE and investment property		-	37
Receipt of cash donations to purchase assets		-	40
Net cash flows used in investing activities		**(41,273)**	**(35,208)**
Cash flows from financing activities			
Public dividend capital received		299,414	4,301
Movement on loans from DHSC		(268,321)	51,846
Capital element of finance lease rental payments		(622)	(570)
Capital element of PFI, LIFT and other service concession payments		(10,957)	(10,671)
Interest on loans		(826)	(3,571)
Interest paid on finance lease liabilities		(52)	(88)
Interest paid on PFI, LIFT and other service concession obligations		(18,694)	(16,960)
PDC dividend paid		(4,342)	-
Cash flows used in other financing activities		1	(113)
Net cash flows from financing activities		**(4,399)**	**24,174**
Increase in cash and cash equivalents		**43,622**	**27,189**
Cash and cash equivalents at 1 April - brought forward		**33,083**	**5,894**
Cash and cash equivalents at 31 March	18	**76,705**	**33,083**

Notes to the Accounts
Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 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.

Note 1.1.1 Accounting convention

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

Note 1.1.2 Going concern

There is no presumption of going concern status for NHS foundation trusts. Directors must decide each year whether or not it is appropriate for the NHS Foundation Trust to prepare its accounts on the going concern basis, taking into account best estimates of future activity and cash flows.

International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of services to another entity or has no realistic alternative but to do so. Further, the ongoing provision of services underpinned by Trust, and wider Integrated Care System longer term plans and strategies, support this principle.

Further, Management have considered the 2020/21 financial performance and position to inform the assessment:

- On an adjusted financial performance basis the Trust achieved a surplus for 2020/21 of £0.1m for the 2020/21 financial year;
- As at 31 March 2021 the Trust held a cash balance of £76.7m; and
- The Trust is not subject to any enforcement action with regards to finances.

North West Anglia NHS Foundation Trust 's Board of Directors has carefully considered the principle of going concern. After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Note 1.1.3 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's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

An assessment of the Trust's Private Finance Initiatives (PFI) scheme have been made, and it has been determined that the PFI schemes should be accounted for as an On Statement of Financial Position asset under IFRIC 12. This requires a judgement to be made around how to model the scheme in order to determine the required accounting entries.

Leases have been classified as finance leases where the lease transfers substantially all the risks and rewards incidental to ownership of the asset, irrespective of whether title has actually transferred. An asset and a liability are recognised on the balance sheet accordingly. Otherwise the lease is classified as an operating lease.

Note 1.1.4 Sources of estimation uncertainty

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

The Trust's land and building assets are valued on the basis explained in Notes 1 & 13 to the accounts. Gerald Eve LLP provided a valuation of land and building assets (estimated fair value and remaining useful life) as at 31 March 2021. The valuation, based on estimates provided by a suitably qualified professional in accordance with HM Treasury Guidance, leads to revaluation adjustments as described in Note 13. Future revaluations of North West Anglia NHS Foundation Trust's property may result in further changes to the carrying values of non-current assets.

The estimates referred to include estimated land values and build cost indices along with assumptions regarding the cost and layout of the hospitals If they were reprovided in cheaper locations.

Useful economic lives of assets are estimated for additions and at revaluations dates in order to assess depreciation for each accounting period.

Note 1.2 Operating Segment

The nature of the Trust's services is the provision of healthcare. Accordingly the Trust operates one segment. Income and expenditure are analysed and are reported in line with management information used within North West Anglia NHSFT.

Note 1.3.1 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. Donations are treated the same way as Government grants.

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.

Note 1.3.2 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Note 1.3.3 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. The difference in application is explained below.

2020/21 - The main source of income for the Trust is under contracts from NHS commissioners in respect of healthcare 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 NHS commissioners. For the second half of the year, block contract arrangements were agreed at an 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.

Comparative period 2019/20 - The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer.

Note 1.3.4 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.

Note 1.3.5 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.

Note 1.3.6 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 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

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

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

Note 1.5 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 1.6 Property, plant and equipment

Note 1.6.1 Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Note 1.6.2 Measurement

Valuation

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

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Professional valuations are carried out by Gerald Eve LLP, a firm of international property consultants. The valuations are carried out

in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health and Social Care and HM Treasury. In addition, all land and building are restated to current value using professional valuation every five years. An annual interim valuation (desktop exercise) is also carried out.

The freehold properties known as North West Anglia NHS Foundation Trust was valued as at 31 March 2021 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation – Global Standards, effective January 2020 the national standards and guidance set out in the UK national supplement (November 2018 edition) the International Valuation Standards and IFRS as adapted and interpreted by the Financial Reporting Manual (FReM). The valuations of specialised properties were derived using the Modern Equivalent Asset (MEA) Method, with other in-use properties reported using the Market value for existing use method.

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 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.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss including professional fees. 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 Replacement Cost (DRC) where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Depreciation is charged from the beginning of the quarter following the date at which certification confirms the asset is available for use in the manner intended by management. 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.

Note 1.6.3 De-recognition

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

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Note 1.6.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Note 1.6.5 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI 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.

Service received

The service charge is recognised under the relevant expenditure headings within 'operating expenses'.

PFI assets

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured at fair value in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17. The annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income. The element of the unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term. An element of the annual unitary payment increases due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

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 cost. The element of the annual unitary payment allocated to lifecycle replacement is pre- determined for each year of the contract from the operator's planned programme of lifecycle replacement. This charge is used to establish a prepayment to fund future replacement.

Asset contributed by North West Anglia NHS FT to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in North West Anglia NHS FT Statement of Financial Position.

Note 1.6.6 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 31 Mar 2021 2020/21	Max life Years 31 Mar 2021 2020/21
Land	-	-
Buildings, excluding dwellings	4	95
Dwellings	15	98
Plant & machinery	2	33
Transport equipment	10	10
Information technology	2	20
Furniture & fittings	5	10

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

Note 1.7 Intangible assets

North West Anglia NHS Foundaation Trust does not hold any intangible assets.

Note 1.8 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.

Note 1.9 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 1.10 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

Financial assets 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, these are not held for trading purposed and are measured at historic cost with any unpaid intrest accrued separately. The effective interest rate is the nominal rate of interest charged on the loan.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included as current assets. The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables (debtors), accrued income and 'other receivables' (debtors). Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest rate method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset. Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Loans from the Department of Health and Social Care

Loans from the Department of Health and Social Care are not held for trading purposes and are measured at historic cost, with any unpaid interest accrued separately.

Financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest rate method. The effective interest rate is the rate that discounts exactly future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the balance sheet date, which are classified as non-current liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest of financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of those assets.

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).

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

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

Derecognition

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

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

Note 1.11 Leases

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

The Trust as a lessee

Finance leases

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

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

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

Operating leases

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

Contingent rents 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 1.12 Provisions

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

		Nominal rate
Short-term	Up to 5 years	(0.02%)
Medium-term	After 5 years up to 10 years	0.18%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2021:

	Inflation rate
Year 1	1.20%
Year 2	1.60%
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 total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 23.1 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 1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets. North West Anglia NHS Foundation Trust does not have any contigent assets.

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.

North West Anglia NHS Foundation trust does not have any contigent liabilities.

Note 1.14 Public dividend capital

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

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

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

i. donated and grant funded assets,

ii. average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and

iii. any PDC dividend balance receivable or payable.

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

Note 1.15 Value added tax

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

Note 1.16 Corporation tax

The main rate of Corporation Tax applies when profits on trading activities exceed £1.5m at a rate of 19%. Section 148 of the Finance Act 2004 amended s519A of the Income and Corporation Taxes Act 1988 to provide power to the Treasury to make certain noncore activities of Foundation Trusts potentially subject to corporation tax. This legislation became effective in the 2005/06 financial year. In determining whether or not an activity is likely to be taxable, a three- stage test may be employed. The provision of goods and services for purposes related to the provision of healthcare is not treated as a commercial activity and is therefore tax exempt. Trading activities undertaken in house, which are ancillary to core healthcare, are not subject to tax.

As trading activities do not include provision of NHS healthcare services provided by the Trust, North West Anglia NHS Foundation Trust had no Corporation Tax liability in 2020/21 according to current legislation.

Note 1.17 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 1.18 Losses and special payments

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

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

Note 1.19 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 1.20 Early adoption of standards, amendments and interpretations

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

Note 1.21 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 leasees, 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 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. No adjustments will be made on 1 April 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.

The implementation date for IFRS 16 in the NHS was revised to 1 April 2022 in November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable. However, the trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

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

Note 2 Operating Segments

IFRS 8 requires the disclosure of results of significant operating segments; the Trust considers that it only has one operating segment, healthcare.

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)

	2020/21	Restated 2019/20
	£000	£000
Acute services:		
Block contract / system envelope income*	468,205	370,309
High cost drugs income from commissioners (excluding pass-through costs)	10,152	34,667
Other NHS clinical income	9,657	7,668
All services:		
Private patient income	241	1,035
Additional pension contribution central funding**	12,775	11,797
Other clinical income	1,123	3,796
Total income from activities	**502,153**	**429,272**

*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 both 2019/20 and 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 full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2020/21	2019/20
	£000	£000
Income from patient care activities received from:		
NHS England	62,461	58,089
Clinical commissioning groups	437,505	367,897
Department of Health and Social Care	15	20
Other NHS providers	808	891
Non-NHS: private patients	241	1,035
Non-NHS: overseas patients (chargeable to patient)	143	148
Injury cost recovery scheme	980	1,192
Total income from activities	**502,153**	**429,272**
Of which:		
Related to continuing operations	502,153	429,272

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

	2020/21	2019/20
	£000	£000
Income recognised this year	143	148
Cash payments received in-year	91	115
Amounts added to provision for impairment of receivables	180	160
Amounts written off in-year	48	35

Note 4 Other operating income

	2020/21			2019/20		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,364	-	**1,364**	1,252	-	**1,252**
Education and training	13,557	-	**13,557**	13,460	-	**13,460**
Non-patient care services to other bodies	100	-	**100**	-	-	**-**
Provider sustainability fund (PSF)	-	-	**-**	9,656	-	**9,656**
Reimbursement and top up funding	52,176		**52,176**	-	-	**-**
Financial recovery fund (FRF)	-	-	**-**	20,440	-	**20,440**
Marginal rate emergency tariff funding (MRET)	-	-	**-**	5,810	-	**5,810**
Income in respect of employee benefits accounted on a gross basis	1,546	8	**1,554**	3,027	-	**3,027**
Receipt of capital grants and donations	-	989	**989**	-	104	**104**
Charitable and other contributions to expenditure	-	5,619	**5,619**	-	359	**359**
Rental revenue from operating leases	201	195	**396**	-	611	**611**
Other income	5,380	-	**5,380**	37,422	-	**37,422**
Total other operating income	**74,324**	**6,811**	**81,135**	**91,067**	**1,074**	**92,141**
Of which:						
Related to continuing operations			81,135			92,141
Related to discontinued operations			-			

Note 4.1 Income from activities arising from commissioner requested services

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

	2020/21	2019/20
	£000	£000
Income from services designated as commissioner requested services	468,205	412,644
Income from services not designated as commissioner requested services	14,139	16,628
Total	**482,344**	**429,272**

Note 5 Operating expenses

	2020/21	2019/20
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	-	425
Purchase of healthcare from non-NHS and non-DHSC bodies	2,268	1,948
Staff and executive directors costs*	354,917	316,159
Remuneration of non-executive directors	140	130
Supplies and services - clinical (excluding drugs costs)	34,800	35,690
Supplies and services - general	9,348	5,505
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	46,251	48,316
Consultancy costs	3,339	481
Establishment	10,705	9,098
Premises	22,714	18,080
Transport (including patient travel)	1,708	2,120
Depreciation on property, plant and equipment	21,180	17,218
Net impairments	3,533	70
Movement in credit loss allowance: contract receivables / contract assets	469	245
Audit fees payable to the external auditor		
audit services- statutory audit	77	65
other auditor remuneration (external auditor only)	0	10
Internal audit costs	204	153
Clinical negligence	20,459	15,766
Legal fees	2,401	1,094
Insurance	74	81
Education and training	925	798
Rentals under operating leases	654	698
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (PFI / LIFT)	23,729	24,440
Car parking & security	11	16
Hospitality	2	23
Losses, ex gratia & special payments	93	-
Other services, eg external payroll	301	258
Other	2,705	1,436
Total	**563,007**	**500,323**
Of which:		
Related to continuing operations	**563,007**	**500,323**

*Staff & Executuve Directors costs has increased in 2020/21. This is in part due to higher costs as a result of the implementation of the Agenda for Change Pay deal.

From 1st April 2019 the employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge). For both 2019/20 and 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 full cost and related funding have been recognised in these accounts.

Note 5.1 Other auditor remuneration

	2020/21	2019/20
	£000	£000
Other auditor remuneration paid to the external auditor:		
Other non-audit services not falling within items 2 to 7 above	-	10
Total	**-**	**10**

An additional £10k was paid in 2019/20 for additional audit work.

Note 5.2 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1m (2019/20: £1m).

Note 6 Impairment of assets

	2020/21	2019/20
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	3,533	70
Total net impairments charged to operating surplus / deficit:	**3,533**	**70**
Impairments charged to the revaluation reserve	15,906	4,745
Total	**19,439**	**4,815**

Note 7 Employee benefits

	2020/21	2019/20
	Total £000	Total £000
Salaries and wages	267,625	234,335
Social security costs	26,151	24,447
Apprenticeship levy	1,253	1,194
Employer's contributions to NHS pensions	41,576	38,882
Pension cost - other	-	141
Temporary staff (including agency)	18,556	19,569
Total gross staff costs	**355,161**	**318,568**
Recoveries in respect of seconded staff	**-**	-
Total staff costs	**355,161**	**318,568**
Of which		
Costs capitalised as part of assets	243	2,409

Note 7.1 Retirements due to ill-health

During 2020/21 there was 2 early retirement from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £32k (£99k in 2019/20).

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

Note 7.2 Directors' pay is disclosed in the Trust's Annual Report

Details of Directors' pay is disclosed in the Trust's Annual Report.

Note 8 Pension costs

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

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

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 at 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 set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to 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 set out the technical detail of how the cost 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.

National Employment Savings Trust (NEST)

NEST is a Workplace Pension Scheme operated by the Government; it is an alternative pension scheme (to the Superannuation Scheme) which is not NHS specific. It is a defined contribution, off statement of financial position scheme (as it is not exclusively NHS). The number of employees opting in, and the value of contributions, have been negligible.

The cost in 2020/21 was £175k (2019/20 £141k).

Note 9 Operating leases

Note 9.1 North West Anglia NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where North West Anglia NHS Foundation Trust is the lessor.

The Trust leases part of its accommodation to other NHS bodies and the Cambridgeshire Constabulary.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	396	611
Total	**396**	**611**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	396	611
- later than one year and not later than five years;	1,662	1,764
- later than five years.	1,269	4,878
Total	**3,327**	**7,253**

Note 9.2 North West Anglia NHS Foundation Trust as a lessee

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

The Trust has lease agreements predominantly for the lease of medical equipment. The rentals are fixed and there is no contingent rent. The renewals are arranged based on the terms of each individual lease.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	654	698
Total	**654**	**698**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	549	727
- later than one year and not later than five years;	1,044	1,494
- later than five years.	657	782
Total	**2,250**	**3,003**
Future minimum sublease payments to be received	-	-

Note 10 Finance income

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

	2020/21	2019/20
	£000	£000
Interest on bank accounts	7	126
Total finance income	**7**	**126**

Note 11 Finance expenditure

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

	2020/21	2019/20
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	94	3,630
Finance leases	52	88
Main finance costs on PFI and LIFT schemes obligations	9,601	9,791
Contingent finance costs on PFI and LIFT scheme obligations	9,093	7,169
Total finance costs	**18,840**	**20,678**

Note 11.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2020/21	2019/20
	£000	£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	-	-

Note 12 Other gains / (losses)

	2020/21	2019/20
	£000	£000
Losses on disposal of assets	(30)	(96)
Total gains / (losses) on disposal of assets	**(30)**	**(96)**
Total other gains / (losses)	**(30)**	**(96)**

Note 13 Property, plant and equipment - 2020/21

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2020 - brought forward	**26,040**	**358,115**	**9,355**	**22,550**	**57,171**	**433**	**34,066**	**2,577**	**510,307**
Additions	-	-	-	33,835	8,279	-	-	-	**42,114**
Impairments	-	(21,784)	-	-	-	-	-	-	**(21,784)**
Reversals of impairments	-	2,345	-	-	-	-	-	-	**2,345**
Revaluations	(3,559)	18,156	(829)	-	4	-	-	(2)	**13,770**
Reclassifications	-	6,569	263	(23,155)	10,023	64	5,808	428	**-**
Transfers to / from assets held for sale	(1,520)	-	-	-	-	-	-	-	**(1,520)**
Disposals / derecognition	-	-	-	-	(7,297)	(7)	(1,405)	-	**(8,709)**
Valuation/gross cost at 31 March 2021	**20,961**	**363,401**	**8,789**	**33,230**	**68,180**	**490**	**38,469**	**3,003**	**536,523**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**205**	**-**	**-**	**38,245**	**401**	**15,267**	**2,107**	**56,225**
Provided during the year	-	10,059	397	-	6,008	37	4,472	206	**21,179**
Impairments	-	(202)	-	-	-	-	-	-	**(202)**
Revaluations	-	(10,062)	(397)	-	(1)	-	-	-	**(10,460)**
Disposals / derecognition	-	-	-	-	(7,265)	(7)	(1,405)	-	**(8,677)**
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**36,987**	**431**	**18,334**	**2,313**	**58,065**
Net book value at 31 March 2021	**20,961**	**363,401**	**8,789**	**33,230**	**31,193**	**59**	**20,135**	**690**	**478,458**
Net book value at 1 April 2020	**26,040**	**357,910**	**9,355**	**22,550**	**18,926**	**32**	**18,799**	**470**	**454,082**

Note 13.1 Property, plant and equipment - 2019/20

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2019 - as previously stated	**29,101**	**366,272**	**9,249**	**16,517**	**53,074**	**433**	**21,401**	**2,499**	**498,546**
Additions	-	-	-	29,474	2,449	-	-	-	**31,923**
Impairments	-	(5,347)	-	-	-	-	-	-	**(5,347)**
Reversals of impairments	-	532	-	-	-	-	-	-	**532**
Revaluations	(2,856)	(6,511)	48	-	(1)	-	-	-	**(9,320)**
Reclassifications	-	3,378	58	(23,441)	4,836	-	15,091	78	**-**
Transfers to / from assets held for sale	(205)	(209)	-	-	-	-	-	-	**(414)**
Disposals / derecognition	-	-	-	-	(3,187)	-	(2,426)	-	**(5,613)**
Valuation/gross cost at 31 March 2020	**26,040**	**358,115**	**9,355**	**22,550**	**57,171**	**433**	**34,066**	**2,577**	**510,307**
Accumulated depreciation at 1 April 2019 - as previously stated	-	211	-	-	36,914	368	15,237	1,946	**54,676**
Provided during the year	-	9,877	304	-	4,404	33	2,439	161	**17,218**
Revaluations	-	(9,876)	(304)	-	(1)	-	-	-	**(10,181)**
Transfers to / from assets held for sale	-	(7)	-	-	-	-	-	-	**(7)**
Disposals / derecognition	-	-	-	-	(3,072)	-	(2,409)	-	**(5,481)**
Accumulated depreciation at 31 March 2020	**-**	**205**	**-**	**-**	**38,245**	**401**	**15,267**	**2,107**	**56,225**
Net book value at 31 March 2020	**26,040**	**357,910**	**9,355**	**22,550**	**18,926**	**32**	**18,799**	**470**	**454,082**
Net book value at 1 April 2019	**29,101**	**366,061**	**9,249**	**16,517**	**16,160**	**65**	**6,164**	**553**	**443,870**

Note 13.2 Property, plant and equipment financing - 2020/21

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2021									
Owned - purchased	20,961	58,362	8,789	33,230	17,161	59	20,124	607	**159,293**
Finance leased	-	1,588	-	-	308	-	-	-	**1,896**
On-SoFP PFI contracts and other service concession arrangements	-	299,746	-	-	12,480	-	8	-	**312,234**
for COVID response	-	-	-	-	848	-	-	-	**848**
Owned - donated	-	3,705	-	-	396	-	3	83	**4,187**
NBV total at 31 March 2021	**20,961**	**363,401**	**8,789**	**33,230**	**31,193**	**59**	**20,135**	**690**	**478,458**

Note 13.3 Property, plant and equipment financing - 2019/20

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2020									
Owned - purchased	26,040	67,745	9,355	22,550	10,949	-	18,757	365	**155,761**
Finance leased	-	1,729	-	-	587	32	-	-	**2,348**
On-SoFP PFI contracts and other service concession arrangements	-	284,572	-	-	6,829	-	24	-	**291,425**
Owned - donated	-	3,864	-	-	561	-	18	105	**4,548**
NBV total at 31 March 2020	**26,040**	**357,910**	**9,355**	**22,550**	**18,926**	**32**	**18,799**	**470**	**454,082**

Note 14 Donations of property, plant and equipment

North West Anglia NHS Foundation Trust received donations of Covid 19 medical equipment during the year of £951k (2019/20 £40k)

Note 15 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	2,608	2,356
Consumables	3,886	3,598
Energy	63	77
Total inventories	**6,557**	**6,031**

Inventories recognised in expenses for the year were £571k (2019/20: £0k). Write-down of inventories recognised as expenses for the year were £97k (2019/20: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £5,619k of personal protective equipment purchased by DHSC.

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

Note 16 Receivables

	31 March 2021 £000	31 March 2020 £000
Current		
Contract receivables	9,528	31,033
Allowance for impaired contract receivables / assets	(1,487)	(1,329)
Prepayments (non-PFI)	2,074	2,223
PFI lifecycle prepayments	4,961	4,847
PDC dividend receivable	770	-
VAT receivable	3,909	2,327
Other receivables	135	40
Total current receivables	**19,890**	**39,141**
Non-current		
Contract receivables	1,876	1,848
PFI lifecycle prepayments	37,241	37,947
Total non-current receivables	**39,117**	**39,795**
Of which receivable from NHS and DHSC group bodies:		
Current	7,138	27,684

Note 16.1 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	**1,329**	**-**	**1,134**	**-**
Transfers by absorption	-	-	-	-
New allowances arising	-	-	311	-
Reversals of allowances	529	-	(66)	-
Utilisation of allowances (write offs)	-	-	(50)	-
Changes arising following modification of contractual cash flows	(60)	-	-	-
Foreign exchange and other changes	(311)	-	-	-
Allowances as at 31 Mar 2021	**1,487**	**-**	**1,329**	**-**

North West Anglia NHS Foundation Trust does not impair all outstanding debts, even if they are past their due date. These debtors undergo a detailed review resulting in an impairment assessment being made of those not likely to result in settlement, following implementation of, and adherence to, the Trust's credit control process. This could involve the use of debt collection agencies and/or pursuing debts via court proceedings if the Trust feels these are appropriate avenues to enable it to recover legitimate and enforceable monies due to it, thereby enabling reinvestment in the provision of healthcare.

Note 17 Non-current assets held for sale and assets in disposal groups

	2020-21 £000	2019-20 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**407**	-
Assets classified as available for sale in the year	1,520	407
Less impairment of assets held for sale	(202)	
NBV of non-current assets for sale and assets in disposal groups at 31 March	**1,725**	**407**

Note 18 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	33,083	5,894
Net change in year	43,622	27,189
At 31 March	**76,705**	**33,083**
Broken down into:		
Cash with the Government Banking Service	76,705	33,083
Total cash and cash equivalents as in SoFP and SoCF	**76,705**	**33,083**

Note 18.1 Third party assets held by the Trust

Trust held £1,800.98 cash and cash equivalents at 31 March 2021 (£293.24 at 31 March 2020) 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.

Note 19 Trade and other payables

	31 March 2021 £000	31 March 2020 £000
Current		
Trade payables	13,068	18,828
Capital payables	1,368	2,228
Accruals	34,084	8,711
Social security costs	7,490	6,189
VAT payables	92	292
Other taxes payable	251	113
Other payables	4,126	3,834
Total current trade and other payables	**60,479**	**40,195**
Non-current		
Accruals	124	119
Total non-current trade and other payables	**124**	**119**
Of which payables from NHS and DHSC group bodies:		
Current	1,899	9,750

Other payables include outstanding pension contributions of £4,126k at 31 March 2021 (31 March 2020 £3,834k).

Note 20 Other liabilities

	31 March 2021 £000	31 March 2020 £000
Current		
Deferred income: contract liabilities	5,175	3,222
Total other current liabilities	**5,175**	**3,222**
Non-current		
Deferred income: contract liabilities	333	413
Total other non-current liabilities	**333**	**413**

Note 21 Borrowings

	31 March 2021 £000	31 March 2020 £000
Current		
Loans from DHSC	120	269,053
Obligations under finance leases	471	622
Obligations under PFI, LIFT or other service concession contracts	11,301	10,958
Total current borrowings	**11,892**	**280,633**
Non-current		
Loans from DHSC	2,020	2,140
Obligations under finance leases	49	520
Obligations under PFI, LIFT or other service concession contracts	316,063	327,365
Total non-current borrowings	**318,132**	**330,025**

Trust was issued £268m PDC on 7 September to enable the repayment of specific outstanding balances at 31 March 2020, which was repaid on 9 September.

Note 21.1 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2020	**271,193**	**1,142**	**338,323**	**610,658**
Cash movements:				
Financing cash flows - payments and receipts of principal	(268,321)	(622)	(10,958)	**(279,901)**
Financing cash flows - payments of interest	(826)	(52)	(9,601)	**(10,479)**
Non-cash movements:				
Application of effective interest rate	94	52	9,601	**9,747**
Carrying value at 31 March 2021	**2,140**	**520**	**327,365**	**330,025**

Note 21.2 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2019	**219,288**	**1,712**	**348,994**	**569,994**
Cash movements:				
Financing cash flows - payments and receipts of principal	51,846	(570)	(10,671)	**40,605**
Financing cash flows - payments of interest	(3,571)	(88)	(9,791)	**(13,450)**
Non-cash movements:				
Application of effective interest rate	3,630	88	9,791	**13,509**
Carrying value at 31 March 2020	**271,193**	**1,142**	**338,323**	**610,658**

Note 22 North West Anglia NHS Foundation 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	**520**	**1,195**
of which liabilities are due:		
- not later than one year;	471	673
- later than one year and not later than five years;	49	522
- later than five years.	-	-
Finance charges allocated to future periods	-	(53)
Net lease liabilities	**520**	**1,142**
of which payable:		
- not later than one year;	471	622
- later than one year and not later than five years;	49	520
- later than five years.	-	-

Note 23 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits* £000	Redundancy £000	Other £000	Total £000
At 1 April 2020	632	1,747	-	394	**2,773**
Arising during the year	93	151	344	5,670	**6,258**
Utilised during the year	(67)	(102)	(344)	-	**(513)**
Reversed unused	-	(13)	-	(2,931)	**(2,944)**
At 31 March 2021	**658**	**1,783**	**-**	**3,133**	**5,574**
Expected timing of cash flows:					
- not later than one year;	85	269	-	3,133	**3,487**
- later than one year and not later than five years;	573	1,514	-	-	**2,087**
Total	**658**	**1,783**	**-**	**3,133**	**5,574**

The provision for pension costs relates to additional pension liabilities arising from early retirements. Unless due to ill health these are not funded by the NHS Pension Scheme. The full amount of such liabilities is charged to the Statement of Comprehensive Income at the time the Trust commits itself to the retirement.

Note 23.1 Clinical negligence liabilities

At 31 March 2021, £240,051k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of North West Anglia NHS Foundation Trust (31 March 2020: £185,083k).

Note 24 Contingent assets and liabilities

There were no contingent assets or liabilities at the Statement of Financial Position date.

Note 25 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	3,475	6,808
Total	**3,475**	**6,808**

Note 26 On-SoFP PFI, LIFT or other service concession arrangements

The Trust has two Private Finance Initiatives (PFI).

The Treatment centre on the Hinchingbrooke site contract commenced on 18 March 2004 and made available for use on 22 August 2010. The contract confers on the Trust the right to use the facility for designated purposes. The concession period will end on 21 August 2035 when the facility will revert to the Trust with a minimum asset life of five years. Early termination is subject to approval and compensation.

Peterborough City Hospital contract was agreed on 4 July 2007 for the construction of a new 611 bed hospital and the provision of hospital related services. The new hospital was handed over to the Trust on 2 October 2010. The PFI contract ends in November 2042. The Trust has the right to use the Hospital up to that date. On that date ownership reverts back to Trust. The current contract does not provide an option for extension or early termination.

Both schemes are deemed to be On Statement of Financial Position under IFRIC 12, meaning that they are treated as assets of the Trust, being acquired through a finance lease. The payments for the contracts have been analysed into finance lease charges and service charges. The accounting treatment of the PFI schemes are detailed in the accounting policies note.

The service element of the Peterborough City Hospital contract was £21,565k (2019/20 £22,297k) with contingent rent amounting to £8,370k (2019/20 £6,497k).

The service element of the Treatment Centre contract was £2,164k (2019/20 £2,143k) with contingent rent amounting to £723k (2019/20 £671k).

Note 26.1 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	**770,245**	**756,261**
Of which liabilities are due		
- not later than one year;	29,583	27,473
- later than one year and not later than five years;	155,337	115,557
- later than five years.	585,325	613,231
Finance charges allocated to future periods	(442,880)	(417,938)
Net PFI, LIFT or other service concession arrangement obligation	**327,365**	**338,323**
- not later than one year;	11,301	10,958
- later than one year and not later than five years;	61,556	47,547
- later than five years.	254,508	279,818

Note 26.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

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

	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**1,545,615**	**1,520,170**
Of which liabilities are due		
- not later than one year;	59,994	55,843
- later than one year and not later than five years;	312,623	234,409
- later than five years.	1,172,998	1,229,918

Note 26.3 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	**59,965**	**58,237**
Consisting of:		
- Interest charge	9,601	9,791
- Repayment of finance lease liability	10,958	10,671
- Service element and other charges to operating expenditure	23,729	24,440
- Contingent rent	9,093	7,169
- Addition to lifecycle prepayment	6,584	6,166
Total amount paid to service concession operator	**59,965**	**58,237**

Note 27 Financial instruments

International Financial Reporting Standard (IFRS) 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Financial Instruments play a much more limited role in creating or changing risk within the NHS than would be typical of commercial business entities. The Trust has limited powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities

Note 27.1 Financial risk management

Credit risk

Due to the continuing service provider relationship that the Trust has with local Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, the Trust is not exposed to the same degree of credit risk faced by some entities. Those items in dispute or under query have been assessed and a provision for impairment made, if deemed appropriate. Totals are included in the trade and other receivables in note 16.

Liquidity risk

The Trust's net operating costs are incurred mainly in respect of delivering on legally-binding long term contracts with CCGs. CCGs themselves are financed by resources voted annually by Parliament. As noted above, this means that the Trust is not exposed to quite the same level of risk as some other business entities, but as has been evidenced during the year, if the Trust experiences liquidity issues, provided certain acriteria can be evidenced, Department of Health and Social Care funding (not categorised as a Financial Instrument) may become eligible for drawdown to ensure the Trust can continue to meet its liabilities as they fall due. As noted in the 'Going Concern' disclosure in note 1, the Board has reasonable expectation that the Trust will have access to adequate resources in the next 12 months.

Market risk

The Trust has borrowed from the government for capital expenditure and revenue support, subject to affordability as confirmed by NHS Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets or agreed repayment terms, 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.

Foreign currency risk

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

Note 27.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2021	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	10,053	**10,053**
Other investments / financial assets	-	**-**
Cash and cash equivalents	76,705	**76,705**
Total at 31 March 2021	**86,758**	**86,758**

Carrying values of financial assets as at 31 March 2020	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	31,566	**31,566**
Cash and cash equivalents	33,083	**33,083**
Total at 31 March 2020	**64,649**	**64,649**

Note 27.3 Carrying values of financial liabilities

	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2021		
Loans from the Department of Health and Social Care	2,140	**2,140**
Obligations under finance leases	520	**520**
Obligations under PFI, LIFT and other service concession contracts	327,365	**327,365**
Trade and other payables excluding non financial liabilities	52,297	**52,297**
Total at 31 March 2021	**382,322**	**382,322**

	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2020		
Loans from the Department of Health and Social Care	271,193	**271,193**
Obligations under finance leases	1,142	**1,142**
Obligations under PFI, LIFT and other service concession contracts	338,323	**338,323**
Trade and other payables excluding non financial liabilities	29,562	**29,562**
Total at 31 March 2020	**640,220**	**640,220**

Note 27.4 Maturity of financial liabilities

	31 March 2021 £000	31 March 2020 £000
In one year or less	81,607	318,798
In more than one year but not more than five years	157,096	124,162
In more than five years	586,978	615,311
Total	**825,681**	**1,058,271**

Note 28 Losses and special payments

	2020/21		2019/20	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	24	(2)	57	(1)
Bad debts and claims abandoned	116	528	100	142
Stores losses and damage to property	1	-	1	-
Total losses	**141**	**526**	**158**	**141**
Special payments				
Compensation under court order or legally binding arbitration award	3	-	6	-
Ex-gratia payments	38	94	24	46
Total special payments	**41**	**94**	**30**	**46**
Total losses and special payments	**182**	**620**	**188**	**187**
Compensation payments received		-		-

Note 29 Related parties

During the year none of the Trust Board members, members of the key management staff, or parties related to any of them, have undertaken any material transactions with North West Anglia NHS Foundation Trust.

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

- Cambridgeshire and Peterborough CCG
- NHS England
- East Leicestershire and Rutland CCG
- Lincolnshire CCG
- Norfolk & Waveney CCG
- Bedfordshire CCG
- Cambridge Community Services
- Cambridgeshire and Peterborough NHS Foundation Trust
- Cambridge University Hospitals NHS Foundation Trust
- University Hospitals of Leicester NHS Trust
- NHS Resolution
- Public Health England
- NHS Blood and Transplant
- Health Education England

Note 30 Charitable Funds Consolidation

The Foundation Trust is the Corporate Trustee to North West Anglia NHS Foundation Trust Charitable Fund. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities.

The Trust Board believe that the transactions involving the charitable fund are not material to the Foundation Trust accounts and have chosen not to consolidate the accounts on this basis.

Note 31 Events after the reporting date

At the time of preparation, the Trust had not been notified or become aware of any significant events which require disclosure.

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