

**Meeting of the Board of Directors  
HELD IN PUBLIC  
Friday 6 January 2017 at Liverpool Women's Hospital at 1300  
Board Room**

Item no. 2017/	Title of item	Objectives/desired outcome	Process	Item presenter	Time	CQC Fundamental Standard	BAF Risk
01	Future Generations Update - Pre Consultation Business Case	To brief the Board on progress and risks	Presentation	Liverpool CCG	1300 30mins	All	All
	Break						
	Thank you to Staff				1345 10mins		
02	Apologies for absence & Declarations of interest	Receive apologies	Verbal	Chair		-	-
03	Meeting guidance notes	To receive the meeting attendees' guidance notes	Written guidance	Chair		R17 – Good Governance	-
04	Minutes of the previous meetings held on 2 December 2016	Confirm as an accurate record the minutes of the previous meetings	Written	Chair	1355 05mins	R17 – Good Governance	-
05	Action Log and matters arising	Provide an update in respect of on-going and outstanding items to ensure progress	Written/verbal	Chair		R17 – Good Governance	-
06	Chair's announcements	Announce items of significance not elsewhere on the agenda	Verbal	Chair	1400 15mins	R17 – Good Governance	All
07	Chief Executive Report	Report key developments and announce items of significance not elsewhere	Verbal	Chief Executive		R17 – Good Governance	All
<b>BOARD ASSURANCE</b>							
08	Report from the Charitable Funds Committee	Receive assurance and any escalated risks	Written	Director of Workforce and	1415 (10mins)	R17 – Good Governance	

Item no. 2017/	Title of item	Objectives/desired outcome	Process	Item presenter	Time	CQC Fundamental Standard	BAF Risk
				Marketing			
<b>TRUST PERFORMANCE</b>							
09	Serious Incidents Report	To provide assurance to the Board on actions taken arising from serious incidents occurring at the Trust	Written	Medical Director	1425 15mins		
010	Performance Report period 8, 2016/17	Review the latest Trust performance report and receive assurance	Written	Director of Operations	1440 10mins	R12&18: Safe R17 – Good Governance	3a
011	Finance Report period 8, 2016/17	To note the current status of the Trusts financial position	Written	Director of Finance	1450 15mins	R17 – Good Governance	5
<b>TRUST STRATEGY</b>							
<b>BOARD GOVERNANCE</b>							
012	Review of risk impacts of items discussed	Identify any new risk impacts	Verbal	Chair		R17 – Good Governance	All
<b>HOUSEKEEPING</b>							
013	Any other business & Review of meeting	Consider any urgent items of other business	Verbal	Chair		-	-

Date, time and place of next meeting either Friday 3 February 2017

### Meeting to end at 1500

1500-1515 15mins	Questions raised by members of the public observing the meeting on matters raised at the meeting.	To respond to members of the public on matters of clarification and understanding.	Verbal	Chair
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## Board of Directors

Minutes of the meeting of the Board of Directors  
held public on Friday 02 December 2016 at 1000 hrs  
in the Boardroom, Liverpool Women's Hospital, Crown Street

### PRESENT

<b>Mr Robert Clarke</b>	Chair
<b>Mr Ian Haythornthwaite</b>	Non-Executive Director/Vice Chair
<b>Mr Tony Okotie</b>	Non-Executive Director/SID
<b>Mr Ian Knight</b>	Non-Executive Director
<b>Mr David Astley</b>	Non-Executive Director
<b>Mr Phil Huggon</b>	Non-Executive Director
<b>Dr Susan Milner</b>	Non-Executive Director
<b>Mrs Kathryn Thomson</b>	Chief Executive
<b>Dr Andrew Loughney</b>	Medical Director
<b>Mrs Vanessa Harris</b>	Director of Finance
<b>Mrs Dianne Brown</b>	Director of Nursing & Midwifery
<b>Mr Jeff Johnston</b>	Director of Operations

### IN ATTENDANCE

<b>Mr Colin Reid</b>	Trust Secretary
<b>Miss Susan Westbury</b>	Deputy Director of Workforce

### APOLOGIES

<b>Mrs Michelle Turner</b>	Director of Workforce & Marketing
<b>Ms Jo Moore</b>	Non-Executive Director

### Thank You

Before the meeting opened formally the Board expressed its thanks to Claire Scott and Andrew Large from the Finance Team

- 299 **Apologies** – as above. The Chair Susan Westbury, Deputy Director of Workforce to the meeting.

**Welcome:** The Chair welcomed members of the public who were observing the Board meeting and advised they would have opportunity to ask questions of the Directors after the meeting.

**Declaration of Interests** – None

- 300 **Meeting guidance notes**  
The Board noted the meeting guidance notes.

- 301 **I'm going to Dignitas – A Patient Story**  
John Kirwan, Clinical Director for Gynaecologist presented a patient story describing a very unique and distressing recent case. The story described how a patient with a cancer diagnosis who had been

referred to treatment had requested a medical referral to dignitas. Mr Kirwan had completed an exploratory examination that identified both primary and secondary tumour, of which would not have been operable on the LWH site. However the preferred modality of treatment following MDT discussion was Kino. Mr Kirwan was able to show the board the very detailed and intense support the patient was provided at the trust in helping her to make an informed choice. After much deliberation and discussion the patient opted to have medical treatment rather than going down the Digitas route, Mr Kirwan at all stages took legal advice and a second opinion regarding this case and explained to the Board the GMC advice and stance on this matter.

The Chair thanked the John Kirwan for his presentation which was noted.

302 **Minutes of previous meeting held on Friday 4 November 2016**

The minutes of the meeting held on 4 November 2016 were approved, subject to the amendment corrected prior to the meeting.

303 **Matters arising and action log.**

The Board noted that all actions were either complete, on the agenda or to be reported at a future meeting.

304 **Chair's Report**

The Chair provided a brief verbal report:

**Council of Governors Meeting:** The Chair reported on the Council of Governors meeting held on 19<sup>th</sup> November 2016 and thanked all those who attended. He advised that the Council approved the re-appointment of PwC as the Trust's external auditors and received a presentation on the Trust's draft Operational Plan.

**Community:** The Chair reported on his recent visit to the Trust's Community Services and a number of comments he had received whilst meeting with the midwives. He advised that he would like to hold a Board meeting within the community in the next year.

The Board noted the Chair's update report.

305 **Chief Executive's report**

The Chief Executive presented her Report and highlighted a number of matters contained within it. With regards to the LifeStart trolley, she advised that the Trust was the first hospital in the UK to introduce bedside neonatal care for all births explaining that prior to this new born babies who needed help with breathing straight after birth had to be taken away from their mothers to a large resuscitation unit. The new LifeStart trolley, developed in Liverpool, allows new born babies to be looked after at the mother's bedside which was fantastic for mums and babies.

Referring to the Women's and Neonatal Options Appraisal, the Chief Executive reported that the public consultation to be undertaken by Liverpool CCG under the NHS England assurance process was provisionally planned for January 2016. She was not sure however whether this was still achievable.

The Chief Executive reported on the publication of the Cheshire and Merseyside STP and explained that the STP identified significant challenges to the health economy within Cheshire and Merseyside.

The Board noted the Chief Executive Report.

306 **Chair's Report from the Finance, Performance and Business Development (FPBD) Committee**

Phil Huggan presented the Chair's Report from the Finance Performance and Business Development Committee held on 21 November 2016. He reported that the Committee was assured that the Trust

was still on target to deliver the control total at year end even though there was recognition of variations against the plan.

Phil Huggan advised that the Committee had reviewed the self certification agency Governance checklist on behalf of the Board and had approved it for submission to NHSI by the required submission date. He further reported on the discussion at the Committee on delivery of the 2017/18 and 2018/19 Financial Control Totals. Phil Huggan explained that the Committee had noted the key areas that could underperform in 2017/18 which could have a detrimental impact on delivery of the control total; however the Committee felt assured that the control total for 2017/18 would be delivered taking account of the assumptions provided.

Phil Huggan reported that there were two matters that required Board approval, an amendment to the BAF risk score for risk 5a and amendments made to the terms of reference of the committee, both of which was explained further under agenda items 315 and 310 respectively.

The Chair thanked Phil Huggan for his report which was noted.

### 307 **Chair's Report from the Governance and Clinical Assurance Committee (GACA)**

Susan Milner reported on the Chair's Report from the Governance and Clinical Assurance Committee held on 18 November 2016 and ran through the key discussions at the meeting.

Referring to the Quality Strategy the Committee agreed to receive a formal close down report in March detailing delivery of the quality strategy objectives. This would then feed into a revised and updated Quality Strategy for 2017-2020. She advised that it was proposed to hold a Board development session once the Strategy had gone through the iterations of the Committee. The Medical Director explained that the review of the Strategy would include addressing which quality performance measures should be used in the future taking account of national guidance and standards such as NICE.

*Action 307(i): the Trust Secretary to arrange Board development that supported the development of the Quality Strategy 2017-2020.*

Susan Milner advised that the Committee discussed whether it was appropriate for the Committee to review the SEE report and that she report to the Board any matters by exception under her Chairs report. She explained that the SEE report goes through a number of iterations before being presented to GACA and then Board resulting in delays in the report actually being discussed at the Board. It was proposed to look to streamline the reporting process so that GACA received the report in a timely manner. Tony Okotie was concerned that the Board would not receive the SEE Report although recognised that the Board had sight of some of the measures through the Performance Dashboard. The Director of Operations advised that it was the Executives intention to strengthen the Performance Report for the next financial year and he would add to it those measures the Board felt appropriate. He proposed to bring back to the Board early in the new year what would be reported taking into account the requirements of NHSI. Ian Haythornthwaite supported the proposal to strengthen the Performance Report and felt that discussion on the content would give opportunity for the Board to concentrate on the most relevant performance measures, including quality, patient experience, workforce and financial and operational performance. The Chief Executive recognised the need to review the Performance Report in light of the discussion and also noted the need to do this following the publication of the single oversight framework which would include a 'well led' submission. She did feel that the Board should not lose sight that CQC had seen the SEE Report as robust evidence that the Board had a grip on quality issues and did not want to lose this level of assurance.

Susan Milner referring to the thematic Review of Serious Incidents reported that the Committee had

noted improvements made in the number of incident reporting across the Trust. She explained that the Trust was meeting the National Reporting and Learning System (NRLS) upload standards. The Medical Director reported that there was work to be done in the way SI action plans were drafted as there was no consistency of approach and reported that this was being addressed. The Board reviewed whether it needed greater exposure to SIs as it had done in the past and agreed that it would receive a quarterly report, with GACA continuing to receive bi-monthly reports. Ian Haythornthwaite asked that the future reports to the Board were concise.

*Action 307(ii): the Medical Director to present to the Board a quarterly SI report from January 2017.*

Susan Milner reported that the Committee had agreed to recommend a de-escalation of risk 1m on the BAF relating to neonatal transport to the Neonatal Transport Service Risk Register reported in the BAF report at agenda item 315. She further advised that the Committee recommended amendments to the Terms of Reference of the Committee which was reported in agenda item 310.

The Chair thanked Susan Milner for her report which was noted.

308 **Chair's Report from the Putting People First Committee (PPF)**

Tony Okotie reported on the Chair's Report from the Putting People First Committee held on 24 November 2016. He advised that the Committee started with a Staff Story relating to a member of staff as they approached the end of their career and enters retirement.

Tony Okotie reported on the Payroll & Pre Employment Checks Audit that had been undertaken and that an interim action plan had been tabled at the meeting. He reported that the internal audit findings provided 'reasonable' assurance that controls were in place and that the Committee was happy with the assurance given. The final internal audit report would be submitted to next Audit Committee and the PPF Committee.

Tony Okotie reported that the Committee had received the Safe Staffing Six Monthly Assurance Report and advised that the Trust was an outlier for "headroom" but was assured that this was not a service risk. This would be reviewed again in 6 months. The Committee was assured by Director of Nursing and Midwifery report that the Trust had the required staffing levels and that they were safe and appropriate. It was noted that the report was on the Board agenda later in the meeting.

Tony Okotie advised that the Committee makes a recommendation to the Board that the BAF Risk relating to junior doctor's industrial action was reduced from 12 to 4 in light of the BMA's recent decision and reported that this was recommended under agenda item 315.

The Chair thanked Tony Okotie for his report which was noted.

309 **Chair's Report from the Charitable Funds Committee (CFC)**

Tony Okotie reported on the Chair's Report from the Charitable Funds Committee held on 24 November 2016 and advised that the Committee had received a presentation on the proposed way forward for the development of the charity and fundraising strategy. He advised that with the current uncertainties regarding the future options appraisal, the strategy would be developed following the outcome of the public consultation. Tony Okotie explained that a workshop would be held in April 2017 to discuss a proposed strategy in order to have a final draft strategy for approval by the Corporate Trustee in June 2017. He went on to explain that in the meantime the Committee was committed to raise the charity's profile through its own webpage and fundraising activities.

Referring to the role of Corporate Trustee, Tony Okotie advised that the Charities Annual Report and Accounts 2015/16 would be presented to the Board for approval at the January meeting following a

number of amendments had been made. He advised that the Committee had received an unqualified audit opinion from the external auditor for the financial statements.

The Board noted the development of the strategy and discussed at length the need to develop the strategy in line with that of the Trust recognising that timing was crucial as was the need to look at how the Charity could have maximum impact.

The Chair referring to the report asked whether it would be appropriate for the Chairs report to report the fund value and commitments.

The Chair thanked Tony Okotie for his report which was noted.

**310 Terms of Reference approval**

The Trust Secretary presented the terms of reference of the FPBD and GACA Board Committees for approval noting that there were a small number of typographical amendments that were required and a consistency check undertaken following change of name of Monitor to NHS Improvement and job titles.

The Board noted and approved the amendments to the Terms of Reference of FPBD and GACA.

The Chair referring to the Chairs Reports from the Board Committees asked that the schedule of attendance is included in future reports and that the report states that quorum for the meeting is attained.

*Action 310: the Trust Secretary to arrange for the format of the Chair Committee Reports to include the attendance record of members and a statement on quorum.*

**311 Safe Staffing – Bi-annual review**

The Director of Nursing and Midwifery presented the Safe Staffing Bi-annual Review and updated the Board that over the period there had been no reduction in nursing and midwifery staff and that all areas were working with safe staffing levels.

Tony Okotie referred to the earlier discussion under his report on the work of the PPF Committee and reported that the Committee had recognised that the current Headroom uplift at the Trust was lower than its peers and recommended workforce tools, however was assured that there was evidence that the current Headroom was meeting the service needs. He advised that as a result of the growing mandatory training requirements for nursing and midwifery workforce through national standards, a number of additional reviews would be conducted to provide ongoing assurance that staff was equipped to deliver the services.

The Board noted that there are robust systems and processes in place within the Trust to ensure that nursing and midwifery staffing levels were safe and appropriate. David Astley commented that the Trust needed to be robust and resilient in retaining the levels and to deal with any peaks and troughs appropriately. Referring to changes in staffing levels the Director of Finance advised that should a proposal be presented to reduce clinical staffing in order to deliver a saving, all proposals were assessed through the Trusts Quality Impact Assessment process and if felt appropriate signed off by the Medical Director and the Director of Nursing and Midwifery.

In response to a question from the Chief Executive regarding the staffing clinical risk identified in the Emergency Room, the Director of Nursing and Midwifery advised that this was currently being reviewed and would be reported through GACA and up to the Board.

The Board:

1. Noted the content of the mid-year report and the assurances provided that staffing levels were

- safe and appropriate;
- 2. acknowledged the continuing work to progress staffing within neonatal services and GED;
- 3. acknowledge the work being undertaken to ensure that NQB guidelines were being incorporated into future local staffing reviews; and
- 4. noted the risk of the Headroom allocation within workforce budgets and agree to ongoing monitoring through the operational performance metrics and subsequent workforce reviews within Putting people First Committee

312 **Quality, Operational Performance report Period 7 2016/17**

The Director of Operations presented the Performance Dashboard.

The Director of Operations drew the Board attention to maternity triage that had been reviewed by GACA where the Committee received assurance regarding the breach in triage and assessment and cause factors and reported that there had been no themes identified. Tony Okotie referring to 'Epidurals not given for Non-Clinical reasons' felt that there was a lack of understanding surrounding what this meant by this definition given previous board discussions. The definition was discussed and it was agreed that Board needed to have clear line of sight of what part of the target it could influence through (resource) and what is purely clinical.

*Action 312: the Director of Operations to include a breakdown of the Epidurals not given for Non-Clinical reasons that set out more detail surrounding those that could have been influenced by the Board and those that were purely clinical.*

The Board reviewed the Quality and Operational Performance Report and recognised the work being done to address emerging concerns and non-compliant indicators.

313 **Financial Report & Dashboard Period 7 2016/17**

The Director of Finance presented the Finance Report and financial dashboard for month 7, 2016/17 and reported that Trust was reporting a monthly deficit of £0.3m against a deficit plan of £0.283 which was a negative variance of £0.017m for the month. Cumulatively the Trust was slightly ahead of plan by £0.022m and achieved a Financial Sustainability Risk Rating (FSRR) of 2 against a plan of 2. She advised that the Trust was on target to deliver its annual control total of £7m deficit assuming receipt of the full £2.8m Sustainability and Transformation Funding.

The Director of Finance provided an overview of the financial impacts by service explaining in particular the financial concerns arising from the fertility service. She reported that to date the fertility service had a full year projected shortfall of £1.269m due to an additional deterioration within forecast activity, slippage within the delivery of the recovery plans and non-delivery of the Kings Joint Venture (JV) contribution and subsequent losses. This shortfall was being mitigated through over activity in a number of services, the proposed termination of the King's JV which would contribute £0.3m, and the utilisation of contingencies referred to in the table on page 4. The Director of Finance explained the terms of the proposed JV termination arrangements and how the amount of £0.3m had been calculated. She explained that the £0.3m amounted to the capital the Trust put into the JV less depreciation. The Board discussed the proposal to exit from the JV recognising the continued losses the JV was incurring and approved the termination. The Director of Finance advised that she hoped the matter would be resolved before the end of the financial year.

Ian Haythornthwaite referring to the table on page 4 of the Report asked whether the numbers were correct as there seemed to be £0.2m missing. In response the Director of Finance advised that the 'Utilisation of previously uncommitted non-pay inflation' figure was incorrect and should read £0.4m.

The Board reviewed the Report and noted the continued work being undertaken to deliver the planned deficit. The Director of Finance referred to the work of the PMO in helping staff to identify



and work up proposals to deliver CIP. The Chair advised that he had spent a few hours with the team and was impressed by the progress they were making to date. He felt there was a lot of enthusiasm and engagement in the identification of schemes across the Trust.

The Director of Finance reported that as part of the Trust's Grip and Control, additional financial controls would be introduced over the coming months.

With regards to cash, the Director of Finance reported that the Department of Health through NHSI had agreed to increase the Trust's requirement Working Capital funding from £2.5m to £4.05m.

The Chair thanked the Director of Finance for her report which was noted.

314 **Future Generations**

The Chief Executive advised she had nothing further to add to that already included in her Chief Executive's Report.

315 **Board Assurance Framework**

The Trust Secretary presented the Board Assurance Framework and explained the changes to the risks and risk scores reported earlier in the meeting.

The Board approved the amendments to the risks and noted that the Board committees would be asked to review any proposed changes to the Risks applicable with the committee areas of accountability with a view of ensuring only key strategic risks are included on the BAF and that the Corporate Risk Register be used to manage operational risks.

316 **Review of risk impacts of items discussed**

The Board noted the risks had been discussed during the meeting and the main issue was the delivery of the control totals set by NHSI.

317 **Any other business & Review of meeting**

None

Conduct of the meeting was excellent with good challenge, scrutiny and assurance.

**Date and time of next meeting**

6 January 2016

TRUST BOARD  
Action Plan

Meeting date	Minute Reference	Action	Responsibility	Target Dates	Status
2 Dec 2016	16/307(i)	Trust Secretary to arrange Board development that supported the development of the Quality Strategy 2017-2020.	Trust Secretary		To include in the programme of Board workshops 2017
2 Dec 2016	16/307(ii)	Medical Director to present to the Board a quarterly SI report from January 2017.	Medical Director	January 2017	See agenda item 17/009
2 Dec 2016	16/310	Trust Secretary to arrange for the format of the Chair Committee Reports to include the attendance record of members and a statement on quorum.	Trust Secretary	February 2017	Attendance records and statement of quorum will be added to the Chair's reports following the Board Committee meetings in January 2017
2 Dec 2016	16/312	Director of Operations to include a breakdown of the Epidurals not given for Non-Clinical reasons that set out more detail surrounding those that could have been influenced by the Board and those that were purely clinical.	Director of Operations	January 2017	See agenda item 17/010
4 Nov 2016	16/278	Director of Nursing and Midwifery to provide an update to the board on progress made against the action plan regarding the implementation of the National Maternity Review in February 2017.	Director of Nursing and Midwifery	February 2017	Action ongoing.
7 Oct 2016	16/255	The Executive Team to review the risks identified in the BAF and bring back a proposal on whether the risks can be grouped or consolidated.	Trust Secretary/Executive	February 2017	The Executive undertook a review of the BAF and following discussion agreed that a number of risks could be re-defined such that there would be a movement of some risks on the BAF to the corporate risk register. The BAF requires additional work to re-define the risks. This will be completed and reviewed by the Board committees and brought back to the Board in February with proposed changes. <b>Action ongoing.</b>

Agenda item no:	17/007							
Meeting:	Board of Directors							
Date:	6 January 2017							
Title:	Chief Executive's Report							
Report to be considered in public or private?	Public							
Where else has this report been considered and when?	N/A							
Reference/s:	N/A							
Resource impact:	-							
What is this report for?	Information	✓	Decision		Escalation		Assurance	✓
Which Board Assurance Framework risk/s does this report relate to?	All							
Which CQC fundamental standard/s does this report relate to?	Reg 17: good Governance							
What action is required at this meeting?	To receive and note the report.							
Presented by:	Kathryn Thomson, Chief Executive							
Prepared by:	Colin Reid, Trust Secretary							

This report covers (tick all that apply):

<b>Strategic objectives:</b>			
To develop a well led, capable motivated and entrepreneurial workforce			✓
To be ambitious and efficient and make best use of available resources			✓
To deliver safe services			✓
To participate in high quality research in order to deliver the most effective outcomes			✓
To deliver the best possible experience for patients and staff			✓
<b>Other:</b>			
Monitor compliance	✓	Equality and diversity	
Operational plan		NHS constitution	

<b>Publication of this report</b> (tick one):	
This report will be published in line with the Trust's Publication Scheme, subject to redactions approved by the Board, within 3 weeks of the meeting	✓
This report will not be published under the Trust's Publication Scheme due to exemptions under S21 of the Freedom of Information Act 2000, because the information contained is reasonably accessible by other means	
This report will not be published under the Trust's Publication Scheme due to exemptions under S22 of the Freedom of Information Act 2000, because the information contained is intended for future publication	
This report will not be published under the Trust's Publication Scheme due to exemptions under S41 of the Freedom of Information Act 2000, because such disclosure might constitute a breach of confidence	
This report will not be published under the Trust's Publication Scheme due to exemptions under S43(2) of the Freedom of Information Act 2000, because such disclosure would be likely to prejudice the commercial interests of the Trust	

In this briefing for the Board I aim to summarise recent and relevant information which relates to:

Firstly, in **Section A**, news and developments within the Trust itself that is not already reported elsewhere.  
Secondly, in **Section B**, news and developments within the immediate health and social care economy.  
Thirdly, in **Section C**, other news and developments within the wider national health and social care economy, including regulatory developments.

Further information is available on request on any of the topics covered by the report.

Kathy Thomson.  
**Chief Executive.**

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## SECTION A - INTERNAL

**Inpatient redesign project – Gynaecology Ward redevelopment:** The aim of the Inpatient Redesign Project is to ensure that the Trust look after patients at the right time, in the right place and with the right clinical team around them. This includes using the space more efficiently. As part of the project, Gynaecology Ward will be redeveloped and reconfigured to make better use of its space. This will improve the patient environment, making it safer and more accessible and will provide a better way of using space for the benefit of staff in the area. The work is scheduled to start in the new year.

**Outpatients – Patient flow and self-check in system:** Plans for a new Outpatients self-check-in system are being developed, which could transform the patient experience. The new system would allow patients to check in for appointments via a touch screen but unlike other similar systems, patients would also be able to check in via a mobile phone app when arriving for appointments, meaning that they would not have to queue up to check-in during busy periods. In addition, the system would also improve the patient journey for multiple appointments by directing patients to each one so they are seen in the right order, with minimum delays and confusion during their visit. To support the patient flow and their journey they would also be able to view way finding information so they are clear about where they are going for each appointment. It is expected that the new system will be installed and in operation in 2017.

**Estates – Combined heat and power:** A combined heat and power unit has been installed and will be commissioned by February next year which will provide significant savings for the Trust with more efficient use of energy. The new system will ensure more effective and efficient power generation, heating management, and will support the introduction and running of other energy sources, such as LED lighting.

**CQC Mock Inspections:** I reported in June this year that we would be undertaking CQC style mock inspections in December 2016 and would like to thank everyone who took part. It was a great turn out and fantastic to see Directors, governors, clinical staff and non-clinical staff all working so closely together. The findings of the inspection are being reviewed. The Trust intends to run these exercises twice a year. Ensuring our patients are safe, the organisation is well-led and that we comply with all of the necessary regulations has never been more important.

**Long Service Awards:** Congratulations to all who attended the 25 years Loyalty awards on 12<sup>th</sup> December 2016. 20 staff from across a wide range of disciplines received their award from the Chairman with a total of 610 year plus service in the room.

### **Employee of the Month Winners:**

- Christiana Sampson Wallace, HCA Antenatal Clinic. Christiana was nominated by one of our patients. The lady spoke of the standard of care she received during a visit to the Trust. She said “if every hospital in Great

Britain had a Christiana what a wonderful service we would have". Congratulations and well done Christiana.

- Angharad Care, Research Training Fellow. Angharad was nominated by one of our patients. The lady spoke of the standard of care she received during her pregnancy. The lady was extremely anxious throughout her pregnancy and felt she would not have made it through without her care. She said 'the emotional care she provided was invaluable'.

Congratulations and well done to both Christiana and Angharad.

## SECTION C – NATIONAL

**National Maternal and Neonatal Safety Health Collaborative:** NHSI will be launching a new three-year National Maternal and Neonatal Safety Health Collaborative early next year to enable providers of maternity services to work collaboratively to improve clinical practices and reduce unwarranted clinical variation. The Trust will be participating in the collaboration.

**CQC consultation on next phase of its regulatory model:** The CQC has published its consultation on developing its regulatory model in line with its direction of travel outlined in its five year strategy for 2016-21. Alongside this the CQC and NHS Improvement have also issued a joint consultation on developing a shared well-led framework on their combined approach to assessing use of resources by trusts. Both consultations are due to close by 14 February 2017. The Trust will be involved and contribute to the consultations.

**Think Sepsis – Professional and Public Awareness Campaign:** The Trust is supporting a national campaign to improve knowledge of what sepsis is, symptoms of sepsis and when to seek urgent healthcare advice. Sepsis is caused by the way the body responds to an infection and is a life threatening condition that makes the body's immune system go into overdrive as it tries to fight an infection. Without quick treatment, sepsis can lead to multiple organ failure and death. It has been estimated that in 2014 over 123,000 people in England suffered from sepsis and about 37,000 people died as a consequence.

A national CQUIN on sepsis was introduced in 2015 for emergency admissions. In the first year screening for sepsis in sick patients in emergency departments nationally improved from 52% to 82% and prompt antibiotic administration for patients with severe sepsis increased from 49% to 62%. In 2016 the CQUIN was extended to include in-patients who deteriorate and the figures for the first quarter of 2016/17 show that for inpatients 63% of those who became unwell were checked for sepsis, and 57% of those found to have sepsis were given antibiotics promptly. There will be CQUIN for 2017/18 which will build on successes made in 2015/16 and 2016/17 by continuing to measure both these groups but, importantly, will merge with the CQUIN aimed at reducing antibiotic resistance. *The Trust is currently compliant with this metric.*

Agenda item no:	17/08						
Meeting:	Board of Directors						
Date:	6 January 2017						
Title:	Update on the activity and approval of Audited Annual Report and Accounts for the financial year 2015/16						
Report to be considered in public or private?	Public						
Where else has this report been considered and when?	N/A						
Reference/s:	Liverpool Women's NHS Foundation Charitable Trust Annual Report and Accounts 2015/16 Letter of Representation Audit management letter						
Resource impact:	None						
What is this report for?	Information	✓	Decision	✓	Escalation		Assurance
Which Board Assurance Framework risk/s does this report relate to?							
Which CQC fundamental standard/s does this report relate to?	Well Led Regulation 17						
What action is required at this meeting?	<p>Note the update on the activity of the Charity and following the recommendation from the Charity Funds Committee:</p> <p>As Corporate Trustee, the Board is asked to approve:</p> <ul style="list-style-type: none"> <li>audited annual report and accounts 2015/16 and letter of representation.</li> </ul>						
Presented by:	Chair of the CFC						
Prepared by:							

This report covers (tick all that apply):

Strategic objectives:	
To develop a well led, capable motivated and entrepreneurial workforce	
To be ambitious and efficient and make best use of available resources	✓
To deliver safe services	
To participate in high quality research in order to deliver the most effective outcomes	✓

To deliver the best possible experience for patients and staff	
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<b>Other:</b>			
Monitor compliance		Equality and diversity	
Operational plan		NHS constitution	

<b>Publication of this report (tick one):</b>	
This report will be published in line with the Trust's Publication Scheme, subject to redactions approved by the Board, within 3 weeks of the meeting	✓
This report will not be published under the Trust's Publication Scheme due to exemptions under S21 of the Freedom of Information Act 2000, because the information contained is reasonably accessible by other means	
This report will not be published under the Trust's Publication Scheme due to exemptions under S22 of the Freedom of Information Act 2000, because the information contained is intended for future publication	
This report will not be published under the Trust's Publication Scheme due to exemptions under S41 of the Freedom of Information Act 2000, because such disclosure might constitute a breach of confidence	
This report will not be published under the Trust's Publication Scheme due to exemptions under S43(2) of the Freedom of Information Act 2000, because such disclosure would be likely to prejudice the commercial interests of the Trust	



## 1. Introduction and update

The Charity transferred from the Director of Finance's portfolio to Workforce & Marketing and now sits along with Workforce, Communications, Marketing, Engagement, Volunteering and Membership.

An initial workshop was held in July 2016 for all interested parties, which identified several key issues which predominantly centred on the need for a clear identity, strategic direction and fundraising strategy following the merger of the Newborn Appeal with the Kitty Appeal. The Workshop also identified a range of procedural and housekeeping issues to be implemented to ensure the charity was in a position of strength to move forward.

In the last six months, the following areas have been focused on

- Effectively merging the two main hospital charities in both technical and emotional terms
- Creating a single Charity identity under the banner of the Liverpool Women's Charity (moving away from Kitty)
- Clarifying which are the key fundraising appeals on which to focus to generate to ensure maximum low level donation
- Identifying corporate partners to support low level fundraising/donation
- Clarifying & enforcing the role of the Trust's small fundraising team and ensuring all fundraising activity took place under the umbrella identity of the Liverpool Women's Charity
- Reviewing existing commitments to ensure they are appropriate for ongoing charitable support and implement a robust process to ensure element of return on investment back into charitable funds
- Identifying the level of fundraising income which needs to be generated on an annual basis to cover fundraising costs and ongoing commitments and developing targets accordingly
- Refreshing publicity material, updating the website and increasing social media presence
- Raising awareness with internal stakeholders with respect to fundraising

As at the end of Quarter 2, the Charity has seen income from donations and fundraising increase by 75% in the first six months of the year compared to the same period last year, with a significant increase in on-line giving.

The Trust's website is currently being overhauled and will be relaunched by 31 March 2017. The design team have now commenced work on the charity element of the site.

In terms of undertaking a significant step up in fundraising activity, potentially with a large scale targeted fundraising appeal, clarity around the future of the Liverpool Women's services would be required to ensure both public and donor confidence. In the intervening period, the Committee and the fundraising team will be seeking to learn from other successful hospital campaigns both locally and further afield, and from other sectors, prior to commissioning external professional advice on what would be required in terms of internal investment to facilitate such a step up in profile and activity.

## 2. Annual Report and Accounts 2015/16

Liverpool Women's NHS Foundation Charitable Trust Audited Annual Report and Accounts for the year ended 31<sup>st</sup> March 2016 were presented for approval at the Charitable Funds Committee meeting held on 24<sup>th</sup> November 2016.

The Committee reported back to the Board on 2<sup>nd</sup> December 2016 and advised that once the Chairs report had been amended to the satisfaction of the Committee they would be presented to the Corporate Trustee for approval.

The Audited Annual Report and Accounts will be submitted to the Charity Commission before 31 January 2017.

### 3. **Audit**

The audit for the accounts was held during the week commencing Monday 13th September. The audit progressed well with no issues noted and no audit adjustments.

*"Our audit work included a detailed review of the Charity's income streams. We concluded that the income was appropriately recognised in the accounts"*

*There were no corrected misstatements however various presentational adjustments were made as a result of our audit work.*

*There are no uncorrected misstatements identified as a result of our audit work in the financial statements that are not of a trivial nature.*

*"We reviewed a sample of charitable expenditure to ensure that the funds are being spent in accordance with the objectives of the Charity and that they are for the public benefit. We did not identify any issues regarding how charitable funds are spent during our audit testing"*

*"We expect to provide an unqualified audit opinion on the financial statements for the Charity for the year ended 31 March 2016"*

### 4. **Approval of the Annual Report & Accounts**

The Annual Report & Accounts are attached for approval along with the Letter of Representation.

### 5. **Recommendations**

The Board approves the Annual Report and Accounts for the year ended 31<sup>st</sup> March 2016 and letter of representation.

# Liverpool Women's NHS Foundation Charitable Trust

## Trustee's Annual Report and Financial Statements

For the year ended 31<sup>st</sup> March 2016



The Liverpool Women's NHS Foundation  
Charitable Trust  
Registered No. 1048294

## Chair's Statement

### Welcome to the Liverpool Women's NHS Foundation Charitable Trust Annual Report and Accounts for 2015/16.

Our mission is to support the work of Liverpool Women's NHS Foundation Trust in providing the best possible healthcare for its patients and to support research that will benefit patients here and elsewhere.

Liverpool Women's NHS Foundation Trust is the largest hospital in Europe to exclusively care for the health needs of women, providing care to thousands of women and their families from all over the North West of England and Wales. It is also the recognised specialist provider in Cheshire and Merseyside of high risk maternity care including fetal medicine, the highest level of neonatal care, complex surgery for gynaecological cancer, reproductive medicine and laboratory and medical genetics.

Our support for the Liverpool Women's NHS Foundation Trust helps the hospital to deliver best possible services and facilities to our patients, families and our dedicated staff, and as a Charity we continue to support a wide range of charitable and health related activities during 2015/16, focussing on four key areas:

- **Patient welfare and amenities** to help improve the experience of patients and their families, including the continued provision of on-site parental accommodation;
- Support for pioneering **research** into seeking new treatment for our patients;
- Investment in new **equipment** to enable the hospital to harness latest technologies; and
- **Staff education and welfare** to provide important support for our hospital's committed staff.

### Our achievements this past year

I am pleased to report that, in my first year as Chair of the Charitable Funds Committee, our income from donations has grown by over 30% to £138,000, enabling us to maintain our charitable activities for the hospital.

I am also delighted to be able to announce the intention to merge with The Newborn Appeal, an independent charity with which we have been linked for several years.

### Our Charitable Activities

As a result of the generosity of our supporters and their on-going help we have been able to continue to enhance the services we provide to our patients. Some of the key charitable activities during the year have included:

- **Research Projects**

During the year the Charity has continued to support innovative research projects through the funding of 4 research posts in the fields of cancer, fetal medicine and genetics. Just under £114,000 has been invested into research projects including the development of the "Micro Array" genetics test, genetic "Next Generation Sequencing", furthering studies into endometrial cancer research and the fetal "IMPROVED" and "EARTH" studies which focus on understanding and reducing the risk of pre-eclampsia.



- **Neonatal Parental Accommodation**

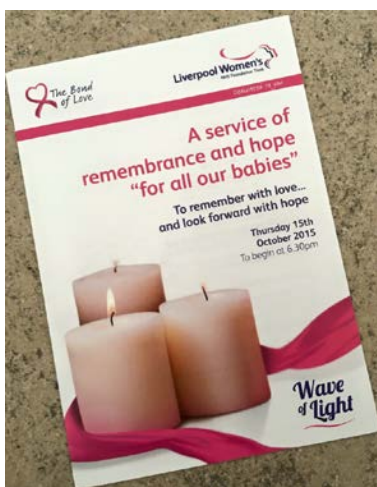
The Charity fully funds three purpose built apartments situated close to the hospital for use by families with babies being cared for on our neonatal intensive care unit. This enables the families to remain together and with their baby during this difficult time. The apartments are fully equipped to meet a family's needs and families are able to stay free of charge as a result of donations made to the Charity.



A Parent's Accommodation Appeal was set up originally in July 2010 with the aim to raise £65k to keep the accommodation running for 5 years; to date this appeal has raised in excess of £40k although expenditure per annum is now double the original £15k anticipated running costs and stands at approx. £30k.

- **Service of Remembrance**

Each year the Charity organises an event to mark the end of Baby Loss Awareness week. This annual service of remembrance is attended by families who have suffered a loss through stillbirth, early neonatal death or miscarriage and incorporates the International Wave of Light which connects people all over the world through the lighting of a candle to remember those babies lost.



Our Honeysuckle Team lead on the organisation of this annual Service of Remembrance which is paid for through the charitable funds raised by the this team throughout the year with additional support from The Liverpool Women's Hospital League of Friends.

The Trust have always held a service for anyone affected by the loss of a baby but in recent years the service has been moved off site to a larger venue to accommodate all the families who wish to attend. The service is now held at Isla Gladstone Conservatory in Stanley Park and this year over 300 women and their families attended.

The ethos of the service is to remember with love and look forward with hope. Candles are lit, babies' names are read out and staff and some very brave parents read poems with the service culminating with a balloon release.





Charitable funds cover all of the costs for the service, including the hire of the venue, small gifts for everyone who attends, LED candles to light, craft activities for siblings who attend and refreshments.

In addition to the annual service of remembrance, our Honeysuckle Team also hold several events throughout the year for families who have sadly suffered the loss of a baby, the costs of which are all funded through the generous donations to charitable funds.

The charitable funds also provide monthly support groups for parents to share their experience with others in similar circumstances, with the funding providing refreshments for such meetings. They have also held quarterly support events to create

positive memories for families which have included yoga classes and craft making sessions for parents to make special remembrance decorations for their angel babies.

### • Patient Welfare & Amenities

The Charity has granted over £91,000 during the year to enhance the welfare and amenities for our patients. This has included the provision of Mamafit classes as part of our antenatal and postnatal fitness offering, the creation of a “quiet” room for patients who have received distressing news to give them privacy and a space to one side in the busy ante natal apartment, the provision and maintenance of the aquarium in our urogynaecology department, a prayer tree and the provision of a harpist in the reception area of the hospital amongst others.

The Charity has also this year helped to fund The Cherish Project in providing counselling for those patients who have suffered bereavement.



A Visual Arts Therapy programme has been funded from charitable funds during the year, which has involved the installation of projectors in two of the birthing rooms on the Midwifery Led Unit. These projectors offer a choice of different moving images that provide different scenery, such as woodland or beach views along with the sound effects to provide a relaxing, less clinical, ambience to the room for the women and their partners during labour and childbirth.

Patient engagement has benefitted from the introduction of a Digital Reminiscence Therapy Software System through the provision of stimulation and engagement for elderly patients with a cognitive impairment. This equipment has helped to improve the health and overall experience of this particular group of patients on our Gynaecology Wards.

### • Equipment

Over £86k has been spent on new equipment including £45k on the latest training technology which has enhanced the training experience of the trainees, medical students and nursing staff. Charitable funds has also funded the purchase of carbon dioxide monitors for our neonatal babies, provided recliner chairs for our postoperative patients attending our day ward, purchased a neonatal simulation doll to aid and train junior members of medical and nursing neonatal staff during mock resuscitations, and a lifestart trolley which is designed to facilitate delayed or deferred chord clamping through the provision of bedside resuscitation capability with the umbilical chord intact.



## Our Fundraising

Our charitable fundraiser has continued to work with associated charities, groups and individuals, promoting fundraising and receiving donations for the Charity.

We are thrilled to have been chosen by Merseyrail to be their Charity of the Year and have received over £10,000 in 2015/16 as a result. Other organisations who have supported us during the year have included Santander and Barclays who provided matched funding up to £700/£1,000 respectively, and The Newborn Appeal who have part funded a grant through a donation of £30,000.



## Individual fundraisers

Liverpool Women's Charity receives many kind donations from individuals, organisations and associated charities and the Corporate Trustee welcomes all donations. The Charity has a policy of publishing the details of donors only if explicitly permitted and would like to acknowledge the following specific donations and fundraising activities:

Following the loss of their son Zach in 2013, the Worsnip family and their supporters continue to support our Charity and the neonatal fund, raising over £13,000 in total since 2013. This year Zach's mum undertook a triple challenge and raised funds of £1,186 through completing a zip wire event, parachute jump and a half marathon.



Over £5,300 has been raised by the family of baby Lucas Ryder through various fundraising events throughout the year including marathons, triathalons, tough mudder events, with the monies benefitting the neonatal fund which funds the on-site parent's accommodation.



Michelle Pauls and her family have been fundraising throughout the year for an incubator for our Neonatal Unit in memory of her son Liam.

Kelvin Edwards and his daughter Lilly raised almost £2,000 through their participation in the Big Liverpool Fun Run this year for our Neonatal fund.

Other runners this year who have fundraised for us include Jack Dobbins and Caroline Grady who ran the Liverpool Half marathon amongst others.



After the success of last year's 24 hour "netballathon", fundraiser Jayne Foley organised a similar event this year which raised funds of £2,000 for our Neonatal Fund.



## Fundraising amongst staff



As always we are very grateful to our incredible staff from the hospital who have supported the charity through raising funds via various events during the year including the Liverpool marathon and half marathon, sky dives holding raffles and cake sales, festive Christmas jumper and Easter bonnet contests to name but a few.

## Fundraising by Corporate Groups and Trust grants

Water Babies raised over £1,800 for our Fetal Medicine Unit Refurbishment Fund, as did The Crowne Plaza whose generosity has added over £1,300 to this fund and Liverpool Crown Court who raised over £1,500; the staff of the Austin Rawlinson for the Community held a Mad Hatters Tea Party raising over £1,400 for our Honeysuckle/Bereavement Fund; we received a £5k donation from the Ickle Pickle Partnership to purchase a lifestart trolley.

Other organisations who have actively supported the Charity this year included Santander and Barclays who provide matched funding for many of our events; Arriva, Lloyds TSB, IMS, Rylands Open Ages and Specsavers who have all made donations during the year for which we are very grateful and Oh Me Oh Mama who chose our charity to receive a percentage of profits made.

In October we hosted a Service of Remembrance for over 300 women and their families as part of Baby Loss Awareness Week, entirely funded by charitable funds, and wish to thank The Isla Gladstone Conservatory, The Liverpool Women's Hospital League of Friends, Bidding Prospects Florist and Kathy's Kards for their support with this event.

## Legacies

In November 2013 the Charity launched it's legacy giving appeal. To date in 2015/16 there has been no legacy income received (2014/15 £nil).



These are just a small selection of our many supporters, thank you to ALL of you who have fundraised and donated to our charity.



## Newsletter

The newsletter continues to be popular among our supporters and the staff at the Trust. It is filled with inspirational stories of why the Charity means so much to our followers. If you wish to receive a copy of the newsletter please do not hesitate to contact Lisa, our fundraiser.

## Volunteers

Our volunteers here at the hospital provide a precious and much appreciated service to patients and their families, staff and visitors to the NHS Foundation Trust.

Some of the activities undertaken by volunteers include:

- greeting and welcoming patients and their relatives when they arrive at the ward
- assisting staff in ensuring rooms are ready for new patients and during the admittance procedure
- talking to and befriending patients
- making nurses and other staff aware of any patient concerns
- assisting in transferring patients to other departments
- supporting mothers who are having 'skin to skin' contact with their babies

We are also very grateful to Barclays and Santander who have provided volunteers to help at so many of our fundraising events and also provided matched funding to support the work of the Liverpool Women's Charity.

[www.facebook.com/Liverpool-Womens-Charities](http://www.facebook.com/Liverpool-Womens-Charities)

The Charity has also set up several SMS text donation services via Just Giving and uses social media to promote this method of donating to the Charity.

**Help us make a difference**

**Text Donate:**  
Text: 'LWHC00 £5' to 70070  
**or Donate Online:**  
[www.justgiving.com/liverpoolwomen](http://www.justgiving.com/liverpoolwomen)

Email: [fundraising@lwh.nhs.uk](mailto:fundraising@lwh.nhs.uk)  
**f Liverpool Women's Charity**  
Charity Number: 1048294



**Liverpool Women's Charity**

**Dedicated to enhancing the services at Liverpool Women's Hospital**



The Charity continues to raise money to improve all areas of the hospital.

## Our future plans

For the coming year we aim to fund a memorial garden and play area in the courtyard behind the hospital reception which we hope will offer bereaved families a private memorial space within the hospital grounds, to help them cope with the visit to the hospital during difficult and upsetting times, and allow them a calming and therapeutic or spiritual space to take time out in private, should they wish to do so. Our outdoor Play Area will be a safe space for our young visitors to enjoy.

We are also delighted to be able to announce our intention to merge with The Newborn Appeal.

The Corporate Trustee plans to continue the key activities of the Charity, and seek further opportunities to enhance the support offered to the patients and families of Liverpool Women's NHS Foundation Trust.

## A BIG thank you

On behalf of the patients, relatives and staff who have benefitted from improved services due to donations and fundraising, the Corporate Trustee would like to thank all patients and relatives and staff who have made charitable donations or have given your time.

The backing of all of our supporters is fundamental to the success of our charity, and I would like to take this opportunity to thank each and every one of you for your continued support over the last year.

Having read all about us, we invite you to consider supporting the work of our charity. If you would like to know more about how to make a donation please contact either Lisa Masters or Nadia Alsafaar, our Charity Fundraisers on 0151-702-4044/4194, and "like" our Facebook page [www.facebook.com/Liverpool-Womens-Charities](https://www.facebook.com/Liverpool-Womens-Charities) for regular news and updates.



**Tony Okotie**  
Chair of the Charitable  
Funds Committee

## Trustees' Annual Report continued

### Structure and governance

The Corporate Trustee presents the Charitable Funds Annual Report together with the Audited Financial Statements for the year ended 31st March 2016.

The Charity's Annual Report and Accounts for the year ended 31st March 2016 have been prepared by the Corporate Trustee in accordance with the accounting policies set out in note 1. to the accounts, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014. The Charity's report and accounts include all the separately established funds for which Liverpool Women's NHS Foundation Trust is the sole beneficiary.

The Charitable Funds are registered as an umbrella charity, in accordance with the Charities Act 2011 using a model Declaration of Trust as approved by the Commission.

### Reference and administrative details

The Liverpool Women's NHS Foundation Charitable Trust is an independent registered charity, which exists to raise, receive, manage and distribute donations for the benefit of the charitable purposes of Liverpool Women's NHS Foundation Trust.

As a result of achieving Foundation Trust status in April 2005 the main umbrella charity changed its name from "Liverpool Women's Hospital Charitable Trust" to "The Liverpool Women's NHS Foundation Charitable Trust". This name change was approved by the Corporate Trustee on 2nd September 2005 and subsequently approved by the Charity Commission.

The Charity adopted a working name, "Liverpool Women's Charity", which was approved by the Charity Commission on 16th September 2009.

The Charity has 11 individual subsidiary registered funds as at the 31st March 2016 (2015:11) and the notes to the accounts distinguish the types of fund held and disclose separately all material funds.

Charitable funds received by the Charity are accepted, held and administered as funds and property held on trust for charitable purposes relating to the health service. The funds are held in accordance with the

National Health Service Act 1977 and the National Health Service and Community Care Act 1990 and these funds are held on trust by the Corporate Body.

The Liverpool Women's NHS Foundation Trust (the NHS Foundation Trust) is the Corporate Trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

### Trustee

The Corporate Trustee of the Charity is the Board of Directors of Liverpool Women's NHS Foundation Trust. The members of the Board of Directors who served during the financial year and those in post as at 24th November 2016 (the date the Trustee's Report was approved) are set out on page 15.

The Corporate Trustee devolved responsibility for the on-going management of funds to the Charitable Funds Committee, which administers the funds on behalf of the Corporate Trustee.

This Committee was formed on 8th February 2005. The names of those people who served as agents for the Corporate Trustee, as permitted under regulation 16 of the NHS Trusts (Membership and Procedures) Regulations 1990 are disclosed in the table on page 14.

### Principal charitable fund advisor to the Board

The Director of Finance of the NHS Foundation Trust, under a scheme of delegated authority approved by the Corporate Trustee, has day to day responsibility for the management of the Charitable Fund.

The Charitable Funds Committee continues to develop the arrangements for delegation to nominated fund holders who manage the funds on an everyday basis.

### Statement as to disclosure of information to auditor

The Trustee in office on the date of approval of these financial statements has confirmed that, as far as it is aware, there is no relevant audit information of which the auditor is unaware. The Trustee has confirmed that it has taken all the steps that it ought to have taken as trustee in order to make itself aware of any relevant audit information and to establish that it has been communicated to the auditor.

## Trustees' Annual Report continued

### Structure

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration are part of this fund. Subsequent donations and gifts received by the Charity are added to the fund balance. The fund covers a number of designations which have their own objectives and hold donations where a particular area or activity of the hospital was nominated by the donor at the time their donation was made. Whilst their nomination is not binding on the Corporate Trustee, the designated funds reflect these nominations.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objectives of each fund and by the use of designated funds the Corporate Trustee respects the wishes of our generous donors.

### Designated funds

A list of designated funds held during 2015/16 is set out below:



## Trustees' Annual Report continued

### Reserves policy

Charitable reserves are identified as income which becomes available to the Charity and is to be spent at the Corporate Trustee's discretion in furtherance of any of the Charity's objects, but which is not yet spent, committed or designated.

The reserves policy has the objective of ensuring the Charity has sufficient funds available to honour commitments.

The Corporate Trustee has a requirement to hold funds in order to support grants which will provide benefits and staff and funding for fixed term salaried posts such as the volunteer manager post.

The Corporate Trustee regularly reviews the level of reserves to ensure that commitments and spending plans are protected against falls in the Charity's income and investment values. The Corporate Trustee is mindful of the duty towards the Charity's current and future beneficiaries and fulfils this responsibility by careful monitoring of expenditure and accessible money to guarantee day-to-day expenditure and ongoing commitments.

### Grant making policy

All grants are made from the Charity's unrestricted funds – these funds comprise two elements:

The **General Purpose Fund** - this fund is constituted of gifts received by the Charity where no particular preference as to its expenditure has been expressed by donors.

**Designated (Earmarked) Funds** – these usually contain donations where a particular part of the hospital, activity or research was nominated by the donor at the time their donation was made. Whilst their nomination is not binding on the Corporate Trustee, the designated funds reflect these nominations.

The designated funds are overseen by fund holders who can make recommendations on how to spend the money within their designated area.

### Governance

The NHS Foundation Trust Board of Directors is the Corporate Trustee of the fund. The Board comprises executive and non-executive directors. Non-executive directors of the Trust Board are appointed by the NHS Foundation Trust's Council of Governors.

The Corporate Trustee works to ensure that proper governance is maintained, reporting requirements are met, and that the Corporate Trustee has all the information needed to meet their responsibilities. The executive directors are subject to recruitment by a nominations committee including the Chief Executive and non-executive directors. The Chair of the Charitable Funds Committee participates in the induction of new board directors and the Director of Finance ensures that board directors are informed of their responsibilities for charitable funds. The Directors are kept informed of the discussions of the Charitable Funds Committee through briefings at Trust Board meetings.

In addition, the Board keeps the skill requirements for the Trustee Body under review and directors attend training events and meetings, hosted by a variety of external organisations, which provide the opportunity to enhance their skills and knowledge.

### Management of funds

Each designated fund has a nominated fund holder(s) who, acting under delegated authority from the Charitable Funds Committee and supported by detailed procedural instructions, is responsible for ensuring that expenditure is incurred in accordance with the charitable objectives of each fund.



## Trustees' Annual Report continued

Acting for the Corporate Trustee, the Charitable Funds Committee is responsible for the overall management of the Charitable Fund. The Committee is required to:

- Control, manage and monitor the use of the fund's resources including approval of all proposals for expenditure in excess of £40,000 for the General Purpose Fund and £30,000 for other designated funds.
- Provide support, guidance and encouragement for all its income raising activities, whilst managing and monitoring the receipt of all income.
- Ensure that 'best practice' is followed in the conduct of all its affairs and fulfilling all of its legal responsibilities.
- Ensure that the Investment Policy approved by the Board of Directors as Corporate Trustee is adhered to and that performance is continually reviewed whilst being aware of ethical considerations.
- Keep the Board of Directors fully informed on the activity, performance and risks of the Charity.

The accounting records and the day-to-day administration of the funds are dealt with by the NHS Foundation Trust's finance department. The Charitable Funds Committee meets on a quarterly basis and examines all expenditure approved by fund holders.

### Risk management

The Corporate Trustee has a duty to identify the risks to which the Charity is exposed, to keep these under review and establish systems to mitigate these risks.

The Charitable Funds Committee believes that the internal control systems in place are sufficiently embedded and that managers and staff are aware of their responsibility for internal control as part of their accountability for achieving objectives.

The Charitable Funds Committee has identified the major risks to the Charity's objects, commitments and future spending plans and the most significant risk is considered to be the potential losses arising from a fall in the value of investments.

The Charitable Funds Committee has considered this risk carefully and have established procedures to review the investment portfolio regularly, ensuring that the Charity's investments are spread over a wide and varied portfolio and are not concentrated in one particular investment or commercial sector. The Charitable Funds Committee meets with Investment Managers, monitors performance and receives regular reports on the portfolio.

The Corporate Trustee is mindful of the need to ensure spending plans and firm financial commitments are matched with income.

### Partnership working and networks

The role of the Charity in supporting Liverpool Women's NHS Foundation Trust continues to go from strength to strength and in order to meet our objectives effectively, we have continued to invest in our fundraising activities and our partnerships working with three independent charities.

The NHS Foundation Trust is closely associated with three independent charities that are based at the hospital:

- We are grateful for the generous work of the volunteers of the **League of Friends of the Liverpool Women's Hospital (charity registration number 512162)**, who raise significant funds each year for the Liverpool Women's NHS Foundation Trust.

Fundraising activities range from small events, to more substantial fundraising through the shop and trolley service. All monies raised are ploughed back in to support patients' amenities and comfort.

## Trustees' Annual Report continued

- The **Newborn Appeal (charity registration number 1010978)** whose aims are to purchase specialised equipment and to support research which improves the quality of care for preterm and poorly babies cared for in the Neonatal Intensive Care Unit. It also aims to maintain a unique research programme which places the care of the newborn on Merseyside at the forefront and adds to Liverpool's already excellent reputation for medical science. To date the Newborn Appeal has donated a range of equipment to the Liverpool Women's NHS Foundation Trust, which is now in use in the Neonatal unit. Post year end the Newborn Appeal has merged with the Liverpool Women's NHS Foundation Charitable Trust as detailed in note 18. to the accounts.
- Liverpool Women's NHS Foundation Trust has developed a partnership with a large maternity hospital in Kampala, Uganda with a view to sharing educational resources through exchange visits by medical, nursing and midwifery staff. The **Liverpool Mulago Partnership (charity registration number 1135219)** is the NHS Foundation Trust's nominated 'Pennies from Heaven' charity. The Pennies from Heaven scheme receives the pence value from staff salaries and donates this to the nominated charity.

### Objectives and strategy

The objectives of the umbrella charity require the Corporate Trustee to hold the fund upon trust and to apply the income and the capital for any charitable purpose or purposes relating to the National Health Service. These wide objectives were agreed with the Charity Commission to give flexibility to allow the Corporate Trustee to use funds without being subject to any specific restriction. In practice, all expenditure has been, and will continue to be, related to services provided by the Liverpool Women's NHS Foundation Trust. Each designated fund has its own charitable objectives in support of the overarching objective of the umbrella charity.

We seek to use the charitable funds to improve the vital care and support we give to our patients and their families. This enables our staff to gain access to training and development activities, to conduct appropriate research and to augment staff welfare, focusing on areas not covered or fully supported by central NHS funds.

Making our vision happen involves all our partners, the Liverpool Women's Hospital League of Friends and the Newborn Appeal, staff, patients, carers and the community.

### Public benefit

The Corporate Trustee has a duty to comply with Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Corporate Trustee can confirm that it has fulfilled the public benefit requirement and that this requirement is strongly embedded within the procedures for approving grants and spending plans.

The Charitable Funds Committee, on behalf of the Corporate Trustee, ensures that all grants and spending plans contain identifiable public benefits that are clear and meet the objects of the Charity funds. This is achieved by the Corporate Trustee keeping spending plans under review throughout the year.



## Trustees' Annual Report continued

### A Review of our finances and performance

The net funds held, after taking account of current assets and liabilities, at 31st March 2016 were £816,000 (2015: £1,062,000). This represents an overall net decrease of £246,000 (2015: £132,000). This arises from an excess of expenditure over income of £199,000 (2015: £209,000) coupled with net losses on investments of £47,000 (2015 net gains: £77,000).

#### Review of income

The Charity relies on donations, fundraising events and investment income as the main sources of income. Total incoming resources of £169,000 were broadly in line with those of 2015 - £167,000. Investment income levels lower in line with expectations following a reduction in the total amount of investments.

Donations totalling £138,000 (2015: £101,000) were received from grateful patients, their families, friends and other supporters in acknowledgement of the high standard of care provided. This includes a £30,000 contribution from the Newborn Appeal towards a specific grant. Fundraising income of £3,000 (2015: £24,000) has reduced as a result of fewer staff fundraising events held in the year.

The Corporate Trustee recognises the importance of the care provided throughout the NHS Foundation Trust and appreciates the donations and kind words from donors.

#### Legacy income

There was no legacy income during the year (2015: £nil). Legacy income is only accrued when there is a reasonable certainty of receipt. This is based on notifications provided by the representatives of the estates concerned. The Charity's officers liaise with solicitors to ensure that specific wishes are carried out.

#### Review of expenditure

Of the total resources expended of £368,000 (2015: £376,000), charitable expenditure on direct charitable activity, was £298,000 (2015: £314,000) across a range of programmes.

#### Fund balances

Fund balances at 31st March 2016 were £816,000 (2015: £1,062,000).

#### Gift aid

Gift aid provides a great opportunity for donors to increase the value of their donation to our Charity. Provided the donor is a taxpayer, our Charity can claim from HM Revenue & Customs the basic rate tax paid on the gift. This increases donations by approximately 25%, so a gift of £10.00 is worth £12.50 to our charity.

#### Investments

For investment purposes the Charity 'pools' its individual sub funds available to maximise the returns on investments whilst operating in accordance with the Board's agreed risk appetite. The funds are operated as a single investment fund under an official pooling scheme which was registered with the Charity Commission on 1<sup>st</sup> January 1999.

Investments are managed by Investec Wealth and Management on behalf of the Charity through an approved investment policy which includes an ethical restriction on investments in tobacco. The funds of the Charity are invested in a wide range of investments with the objective of maximising long term returns within a medium risk profile including UK equities and fixed interest securities, overseas equities held via collectives and cash.

The performance of the fund is reported by Investec Wealth and Management on a quarterly and annual basis against the benchmark set by the Corporate Trustee, the WM Unconstrained Universe, which is widely used by

## Trustees' Annual Report continued

the charity sector. The members of the Charitable Funds Committee meet annually with the Investment Manager to discuss performance and to review the investment strategy. The investment markets remain volatile and the Charity's investments continue to be actively managed.

Comparison over the year shows that our appointed fund managers, Investec Wealth and Management, achieved a total return of -2.9% on the fund against the benchmark set of -0.3%.

In the year ended 31st March 2016 the Charity's investment moved to a fund value of £872,000 as at 31<sup>st</sup> March 2016 from £927,000 at 31<sup>st</sup> March 2015.



## Trustees' Annual Report continued

### Administrative Details

#### Name of Charity:

The Liverpool Women's NHS Foundation Charitable Trust

Registered charity number 1048294

#### Principal Office:

Charitable Funds Section,  
Finance Department,  
Liverpool Women's NHS  
Foundation Trust  
Crown Street  
Liverpool  
L8 7SS

**Tel: 0151-708-9988**



#### Charitable Fundraiser:

Lisa Masters  
Charitable Fundraiser  
Email:

[lisa.masters@lwh.nhs.uk](mailto:lisa.masters@lwh.nhs.uk)

**Tel: 0151-702-4044**



#### Bankers

Barclays Bank PLC  
48b & 50 Lord Street  
Liverpool  
L2 1TD



#### Investment Fund Managers

Investec Wealth and Management  
2 Gresham Street  
London  
EC2V 7QN



#### Auditors - Internal

Baker Tilly  
3 Hardman Street  
Manchester  
M3 3HF



#### Auditors - External

Beever and Struthers  
St Georges House  
215-219 Chester Road  
Manchester  
M15 4JE



CHARTERED ACCOUNTANTS  
AND BUSINESS ADVISORS

#### Solicitors

Hill Dickinson  
No. 1, St. Paul's Square,  
Liverpool  
L3 9SJ



## Trustees' Annual Report continued

### Board of Directors of the Corporate Trustee

Name	Position held	Member of Charitable Funds Committee	1 <sup>ST</sup> April 2015 to 31 <sup>st</sup> March 2016	As at 24th November 2016
<b>Non-Executive Directors</b>				
Robert Clarke	Chair	No	In post	In post - appointed 01.03.16
Ian Haythornthwaite	Non executive director & Vice Chair	No	In post	In post - Interim Chair 01.02.16 – 29.02.16
Liz Cross	Chair/Non executive director	Yes	In post	Not in post - resigned 31.01.16
Edna Robinson	Chair	No	In post	Not in post - resigned 05.10.15
Tony Okotie	Non executive director, Senior Independent Director, Chair of Charitable Funds Committee	Yes	In post	In post - appointed 1.07.15
Phil Huggon	Non executive director	Yes	Not in post	In post - appointed 04.04.16
Jo Moore	Non executive director	Yes	Not in post	In post - appointed 04.04.16
Ian Knight	Non executive director	No	Not in post	In post - appointed 04.04.16
David Astley	Non executive director	No	Not in post	In post - appointed 04.04.16
Steve Burnett	Non executive director	Yes	In post	Not in post - resigned 13.11.15
Pauleen Lane	Non executive director	No	In post	Not in post - resigned 31.03.16
George Kissen	Non executive director	No	In post	Not in post - resigned 02.12.15

## Trustees' Annual Report continued

### Board of Directors of the Corporate Trustee

Name	Position held	Member of Charitable Funds Committee	1 <sup>ST</sup> April 2015 to 31 <sup>st</sup> March 2016	As at 24th November 2016
<b>Executive Directors</b>				
Kathryn Thomson	Chief Executive	No	In post	In post
Michelle Turner	Director of Workforce and Marketing	Yes	In post	In post
Dianne Brown	Director of Nursing and Midwifery	Yes	In post	In post - appointed 01.06.15
Vanessa Harris	Director of Finance	No	In post	In post
Andrew Loughney	Medical Director	No	In post	In post - appointed 18.04.16
Joanne Topping	Interim Medical Director	No	In post	In post - resigned 17.04.16
Jeff Johnson	Director of Operations	No	In post	In post - appointed 01.06.14

## Statement of Trustee's responsibilities

The Charity Trustee is responsible for preparing a Trustee's Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Charity Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, of the Charity for that period.

In preparing the financial statements, the Trustee is required to:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles of the Charity SORP;
- c. make judgements and accounting estimates that are reasonable and prudent;
- d. state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustee on 6<sup>th</sup> January 2017 and signed on its behalf by:

Name.....

Date.....

## Independent auditor's report to the Trustees of The Liverpool Women's NHS Foundation Charitable Trust

We have audited the financial statements of The Liverpool Women's NHS Foundation Charitable Trust for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Councils (FRC's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and nonfinancial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2016, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

BEEVER AND STRUTHERS  
Chartered Accountants & Statutory Auditor  
St. George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

Date..... 2017

## Statement of Financial Activities for the year ended 31st March 2016

	Note	Unrestricted Funds 2016 £000	Total Funds 2016 £000	Total Funds 2015 £000
<b>Income from:</b>				
<b>Donations and legacies:</b>				
Donations	3	138	138	101
<b>Other trading activities:</b>				
Fundraising events		3	3	24
Other activities for generating funds	4	4	4	4
		7	7	28
Investments	12	24	24	38
<b>Total incoming and endowments</b>		<b>169</b>	<b>169</b>	<b>167</b>
<b>Expenditure on:</b>				
<b>Cost of generating funds</b>				
Investment management costs		8	8	11
Raising funds	6	56	56	45
<b>Total expenditure on raising funds</b>		<b>64</b>	<b>64</b>	<b>56</b>
<b>Charitable activities:</b>				
Patient welfare and amenities		91	91	104
Staff education and welfare		7	7	65
Research		114	114	78
Purchase of new equipment		86	86	67
Governance costs		6	6	6
<b>Total expenditure on charitable activities</b>		<b>304</b>	<b>304</b>	<b>320</b>
<b>Total</b>		<b>368</b>	<b>368</b>	<b>376</b>
<b>Net expenditure</b>		<b>(199)</b>	<b>(199)</b>	<b>(209)</b>
(Losses)/gains on investment assets	11	(47)	(47)	77
<b>Net Movement in funds</b>		<b>(246)</b>	<b>(246)</b>	<b>(132)</b>
<b>Reconciliation of Funds</b>				
Fund balances brought forward 1 <sup>st</sup> April		1,062	1,062	1,194
<b>Fund balances carried forward 31<sup>st</sup> March</b>		<b>816</b>	<b>816</b>	<b>1,062</b>



## Balance Sheet as at 31st March 2016

	Note	Unrestricted Funds 2016 £000	Total Funds 2016 £000	Total Funds 2015 £000
<b>Fixed assets:</b>				
Investments	11	872	872	927
<b>Total fixed assets</b>		<b>872</b>	<b>872</b>	<b>927</b>
<b>Current assets:</b>				
Debtors	13	5	5	5
Short term investments and deposits	14	87	87	253
Cash at bank and in hand	14	2	2	2
<b>Total current assets</b>		<b>94</b>	<b>94</b>	<b>260</b>
<b>Liabilities:</b>				
Creditors falling due within one year	15	(150)	(150)	(125)
<b>Net current (liabilities)/assets</b>		<b>(56)</b>	<b>(56)</b>	<b>135</b>
<b>Total assets less current liabilities</b>		<b>816</b>	<b>816</b>	<b>1,062</b>
<b>The funds of the charity:</b>				
Unrestricted funds	16	816	816	1,062
<b>Total charity funds</b>		<b>816</b>	<b>816</b>	<b>1,062</b>

The financial statements on pages 22 to 29 were approved by the Board of the Corporate Trustee, authorised for issue and signed on its behalf by

Signed

Date

## Notes to the accounts

### 1. Accounting Policies

#### 1.1. Basis of preparation

The financial statements have been prepared under the historic cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014 (FRSSE) and the Charities Act 2011 and applicable regulations.

#### 1.2. Funds structure

Unrestricted funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects.

The funds held are disclosed in note 16.

#### 1.3. Incoming resources

All incoming resources are recognised once the Charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

#### 1.4. Incoming resources from donations and legacies

Donations are accounted for as incoming resources either upon receipt or, in the case of legacies, where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made of property to be transferred and once all conditions attached to the legacy have been fulfilled.

Material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities would be disclosed in a separate note to the accounts with an estimate of the amount receivable.

#### 1.5. Incoming resources from investment income

Income from investments includes dividends and interest receivable in respect of the Charity's investments

and is disclosed under activities for generating funds. This income is accounted for on an accruals basis.

#### 1.6. Incoming resources from other activities

Donations received in respect of Nuchal scans are disclosed under activities for generating funds and these are accounted for upon receipt.

#### 1.7. Resources expended

Expenditure is recognised when a liability is incurred. Grant commitments are recognised when a constructive obligation arises that result in payment being unavoidable.

Grants are only made to related or third party NHS bodies and non NHS bodies in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval has been given by the Trustee. The NHS Foundation Trust has full knowledge of the plans of the Trustee therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the NHS Foundation Trust and so a liability is recognised.

Contractual arrangements are recognised as goods or services are supplied.

#### 1.8. Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### 1.9. Allocation of overhead and support costs

Overhead and support costs have been allocated between Charitable Activities and Governance Costs. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of overhead and support costs and the bases of apportionment applied are shown in note 5.

#### 1.10. Expenditure on raising funds

The expenditure on raising funds include the cost of investment management fees, fundraising costs and the cost of goods sold and other costs.

#### 1.11. Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in note 5.

#### 1.12. Governance costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit.

#### 1.13. Fixed asset investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Prices are quoted as at close of business on the 31st March 2016, or last traded price where applicable. UK quoted securities are valued at the mid-market price quoted by the London Stock Exchange. Overseas securities are valued at the mid-market price, or last traded price on the relevant stock exchange. Unit Trusts are valued at the mid prices prevailing on the 31st March 2016. Unquoted securities are valued at prices obtained from accredited sources by the NHS Foundation Charity Trust's Investment Managers.

#### 1.14 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

#### 1.15. Pensions

The Charity is a grant making charity and has no employees.

#### 1.16. Pooling Scheme

An official pooling scheme is operated for investments relating to all funds. The Scheme was registered with the Charity Commission on 1<sup>st</sup> January 1999 and provides for the Trustee to add other funds to the pooling scheme.

## Notes to the accounts continued

### 2. Related party transactions

During the year, Liverpool Women's NHS Foundation Trust, which is the Corporate Trustee of the Charity, recharged £37,000 fundraising salary costs (2015: £26,000) to the Charity.

The Charitable Trust delivers its charitable objectives by making grants to the Liverpool Women's NHS Foundation Trust. Grants made to Liverpool Women's NHS Foundation Trust in the year were £298,000 (2015: £314,000).

The amount owed to the Liverpool Women's NHS Foundation Trust as at 31 March 2016 was £144,000 (2015: £118,000) (see note 15).

During the year £30,000 has been received from The Newborn Appeal to joint fund a specific research post. No expenditure has been incurred to date with £60,000 included within commitments at year end (see note 17).

### 2.1 Purposes of unrestricted and material designated funds

The purposes of unrestricted and material designated funds are:

Fund	Purpose
<b>The Women's Hospital General Purpose Fund</b>	Any charitable purpose(s) relating to the NHS wholly or mainly for the Liverpool Women's Hospital.
<b>Liverpool Women's Cancer Charity</b>	To further the advancement of scientific and medical education and research into topics related to cancer research.
<b>Community Midwifery</b>	Promoting the efficient performance of their duties by the midwives of the NHS Foundation Trust.
<b>Reproductive Medicine Fund</b>	To further the advancement of scientific and medical education and research into topics related to infertility, miscarriage and menopause.
<b>Medical Education Fund</b>	To further the advancement of scientific and medical education and research into topics related to the field of obstetrics and gynaecology.
<b>Other Funds:</b>	
<b>Fetal Centre Research and Development</b>	The investigation into causes of sickness in the unborn child and the prevention, treatment, cure and defeat of this sickness.
<b>Neonatal Fund</b>	The investigation into the causes of sickness in the newborn child and the prevention, treatment, cure and defeat of this sickness and to further the cause of premature newborn babies at the NHS Foundation Trust and to further the advancement of scientific and medical education and research into topics related to sickness in the newborn child.
<b>Women's Hospital Staff Welfare Fund</b>	For the relief of sickness by promoting the efficient performance of their duties by the staff of the Liverpool Women's Hospital.
<b>Training and Development Fund</b>	To further the advancement of scientific and medical education and research into topics relating to pregnancy and problems associated with giving birth and gynaecological problems.
<b>Women's Assisted Conception Fund</b>	To further the advancement of scientific and medical education into topics related to infertility in women.
<b>Cytogenetics Fund</b>	To further the advancement of scientific and medical education and research into topics related to cytogenetics.

## Notes to the accounts continued

### 3. Analysis of voluntary income

	2016 Unrestricted Funds £000	2016 Total £000	2015 Total £000
Donations from individuals	125	125	93
Corporate donations	13	13	8
<b>Total</b>	<b>138</b>	<b>138</b>	<b>101</b>

### 4. Other activities for generating funds

	2016 Unrestricted Funds £000	2016 Total £000	2015 Total £000
Miscellaneous income	4	4	4
<b>Total</b>	<b>4</b>	<b>4</b>	<b>4</b>

### 5. Allocation of support costs and overheads

Once allocation and/or apportionment of overhead and support costs have been made to Governance Costs, the balance is apportioned across Charitable Activities on the basis of the value of the fund.

Allocation and Apportionment to governance costs	2016 Total £000	Allocated to Governance	Basis of apportionment	2015 Total £000
External Audit	6	6	Governance	6
<b>Total</b>	<b>6</b>	<b>6</b>		<b>6</b>

### 6. Costs of Generating Voluntary Income

The costs of generating voluntary income include the costs incurred by the charitable trust in encouraging others to make gifts to it that are voluntary income.

	2016 Unrestricted Funds £000	2016 Total £000	2015 Total £000
Fundraising salary costs	37	37	26
Fundraising events and costs	4	4	4
Financial services	15	15	15
<b>Total</b>	<b>56</b>	<b>56</b>	<b>45</b>

### 7. Analysis of grants

All grants are made to the Liverpool Women's NHS Foundation Charitable Trust. The standing orders and standing financial instructions of the NHS Foundation Trust include the directions of the Trustee for the management of charitable funds and recognise that management processes may overlap with those of the NHS Foundation Trust.

## Notes to the accounts continued

The Trustee operates a scheme of delegation for the majority of charitable funds, under which fund holders manage the day to day disbursements on their projects in accordance with the standing orders and standing financial instructions of the NHS Foundation Trust.

The total cost of making grants is disclosed in the activity analysis on the face of the Statement of Financial Activities. The grants received by the beneficiaries for each category of charitable activity are shown in the Statement of Financial Activities on page 17.

### 8. Transfers between funds

There were no transfers between funds during 2015/16 (2014/15: £nil).

### 9. Analysis of staff costs

The Charity did not directly employ any staff during 2015/16 (2014/15: nil).

The Charity instead received services from the Liverpool Women's NHS Foundation Trust, for example financial services for which a recharge is made by the Trust to the Charity.

### 10. Auditor's remuneration

The auditor's remuneration of £6,420 (2015: £6,240) related solely to the audit, with no other additional work undertaken (2015: £nil).

### 11. Fixed asset investments

<b>Movement in fixed asset investment</b>	<b>2016 Total £000</b>	<b>2015 Total £000</b>
Market Value brought forward	927	1,612
Add: additions to investment at cost	98	164
Less: disposals at carrying value	(106)	(926)
Add: net (loss)/gain on revaluation	(47)	77
<b>Market Value as at 31 March</b>	<b>872</b>	<b>927</b>
<b>Historic Cost as at 31 March</b>	<b>801</b>	<b>745</b>

<b>Fixed asset investments</b>	<b>2016 Total £000</b>	<b>2015 Total £000</b>
Investments listed on a recognised Stock Exchange:		
UK Equities	378	398
European equities	62	60
North American equities	112	122
Japanese equities	28	31
Far East and Australasian equities	31	39
Emerging economies	11	18
Property	69	65
Other investments:		
UK fixed interest	140	126
Overseas fixed interest	-	15
Cash held as part of the investment portfolio	41	53
<b>Total</b>	<b>872</b>	<b>927</b>

## Notes to the accounts continued

### 12. Total gross income from investments and cash on deposit

	2016 Total £000	2015 Total £000
Investments listed on a recognised Stock Exchange:		
UK Equities	18	31
European equities	1	2
Overseas and emerging equities	2	1
Other investments:		
UK fixed interest	3	4
<b>Total</b>	<b>24</b>	<b>38</b>

### 13. Analysis of current assets

	2016 Total £000	2015 Total £000
<b>Debtors under one year</b>		
Investment income receivable	5	5
<b>Total</b>	<b>5</b>	<b>5</b>

### 14. Analysis of cash and deposits

	2016 Total £000	2015 Total £000
Short term investments and deposits	87	253
Cash at bank and in hand	2	2
<b>Total</b>	<b>89</b>	<b>255</b>

### 15. Analysis of current liabilities

	2016 Total £000	2015 Total £000
<b>Creditors under one year</b>		
Amounts due to Liverpool Women's NHS Foundation Trust	144	118
Accruals	6	7
<b>Total</b>	<b>150</b>	<b>125</b>

## Notes to the accounts continued

### 16. Unrestricted funds

Analysis of Unrestricted and material designated funds	Balance at 1 April 2015	Incoming resources	Resources expended	Gains and (losses)	Fund Carried forward at 31 March 2016
	£000	£000	£000	£000	£000
General Purpose	237	43	(152)	(7)	121
Liverpool Women's Cancer Charity	314	8	(27)	(15)	280
Community Midwifery	78	5	(21)	(4)	58
Reproductive Medicine Fund	19	-	(13)	-	6
Medical Education	90	2	(4)	(5)	83
Fetal Medicine Fund	98	16	(19)	(5)	90
Neonatal Fund	183	90	(107)	(10)	156
Other Funds	43	5	(25)	(1)	22
<b>Total</b>	<b>1,062</b>	<b>169</b>	<b>(368)</b>	<b>(47)</b>	<b>816</b>

The purposes of the funds are given in note 2.1

### 17. Grants approved

Grant funding approved but not expended at 31 March was as follows:

	2016 Total £000	2015 Total £000
Charitable Projects	171	286
<b>Total</b>	<b>171</b>	<b>286</b>

The Charitable Projects approved above span a number of years.

### 18. Post Balance Sheet Events

The Liverpool Women's NHS Foundation Charitable Trust is closely associated with The Newborn Appeal (Charity Number 1010978) which is an independent charity based at the hospital. A decision to merge both charities with effect from 1<sup>st</sup> May 2016 was taken by the Charitable Funds Committee on 11<sup>th</sup> January 2016 and ratified as of that date.

As a result of the merger, assets worth £262k have been transferred to the Liverpool Women's NHS Foundation Charitable Trust consisting of a mix of investments (£127k) and cash (£135k).

Beever and Struthers  
Chartered Accountants  
St George's House  
215 – 219 Chester Road  
Manchester  
M15 4JE

Date:

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of The Liverpool Women's NHS Foundation Charitable Trust for the year ended 31 March 2016 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Charity as of 31 March 2016 and of the results and cash flows for the year then ended in accordance with the Charities Act 2011 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We confirm, to the best of our knowledge and belief the following representations:

1. We are responsible for the preparation of financial statements in accordance with The Charities Act 2011 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) which comply with the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial reporting Standard for Smaller Entities (effective January 2015). The financial statements are required to give a true and fair view of the financial position of the Charity as of 31 March 2016 and of its results and operations and its cash flows for the year then ended and are responsible for making accurate representations to you. We confirm that adequate disclosure has been made in the financial statements for these to give a true and fair view. Significant assumptions used by us in making the accounting estimates, including those measured at fair value, are reasonable.
2. All accounting records and relevant information have been made available to you for the purpose of your audit. We have provided to you all other information requested and given unrestricted access to persons within the entity from whom you have deemed it necessary to request information. We have made available to you all financial records and related data including minutes of all management and trustee meetings relevant to the preparation of the financial statements as well as any additional information you have requested from us for the purpose of the audit.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud and/or error. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to fraud, or suspected fraud that we are aware of and that affects the entity and involves, management, employees who have a significant role in internal control, or others, where fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators or others.

*Continued/.....*



We acknowledge that we are ultimately responsible for ensuring that the Charity has in place a system of internal controls that is appropriate to the business environment in which it operates to ensure the financial statements are free from material misstatements whether due to fraud or error. We confirm that we have disclosed the results of our assessment of the risk of fraud to the auditors.

4. All material agreements and all transactions undertaken by the Charity have been properly reflected in the accounting records and are reflected in the financial statements.
5. We have disclosed all known actual or possible litigation and claims whose effects should have been considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.
6. We have no plans or intentions that may materially alter the carrying value and where relevant the fair value or classification of assets and liabilities reflected in the financial statements.
7. The Charity has not contracted for any capital expenditure other than that disclosed in the financial statements.
8. All events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or included in the financial statements.
9. We confirm that we are not aware of any possible or actual instances of non-compliance with those laws and regulations which provide a legal framework within which the Charity conducts its business and which could affect the financial statements. The Charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
10. Related Party Transactions:
  - a) related party relationships and transactions have been appropriately accounted for and disclosed and we are not aware of further related party matters that require disclosure. We confirm that we have disclosed to you the identity of the Charity's related parties and all transactions with the trustees, officers and other related parties. We have confirmed this with all key managers and other individuals who are in a position to influence or are accountable for the stewardship of the Charity;
  - b) the Charity has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for directors or to guarantee or provide security for such matters except as disclosed in the financial statements.
11. We confirm that the financial statements are free of material misstatements, including omissions.
12. In particular, we make the following representations:

#### **Assets**

The Charity has satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.

### **Other Current Assets**

All current assets are expected to realise, in the ordinary course of business, at least the amount at which they are stated in the balance sheet. Adequate provision has been made against all items which may be expected to be irrecoverable.

### 13. **Liabilities**

#### **General**

All known liabilities of the Charity as at 31 March 2016 have been recorded in the accounts as at that date. There are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.

#### **Contingent Liabilities**

All contingent liabilities have been provided or noted in the accounts, where applicable.

### 14. **Going concern**

We confirm that, having considered our expectations and intentions for the next twelve months, and the availability of working capital, the Charity is a going concern. We confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis.

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Signed on behalf of the Board of Trustees

.....Signature

.....Name

<b>Agenda item no:</b>	17/009							
<b>Meeting:</b>	Board of Directors							
<b>Date:</b>	6 January 2017							
<b>Title:</b>	Serious Incident Update Report							
<b>Report to be considered in public or private?</b>	Public							
<b>Purpose - what question does this report seek to answer?</b>	1. Are the Board aware of their responsibilities regarding Serious Incidents? 2. What are the current key themes within Serious Incidents? 3. Is there clear evidence of serious incident investigations making a difference and leading to improvement?							
<b>Report For:</b>	Information	(✓)	Decision	(✓)	Escalation	( )	Assurance	( )
<b>Where else has this report been considered and when?</b>	N/A							
<b>Reference/s:</b>	Serious Incident Framework – NHS England Trust Policy for Managing Incidents & Serious Incidents Trust Standard Operational Procedure for Managing Serious Incidents Thematic Review of Incidents & Serious Incidents (GACA – Nov '16)							
<b>Resource impact:</b>	None							
<b>What action is required at this meeting?</b>	a) Agree to receive quarterly updates regarding serious incidents b) Agree that the key themes identified are being appropriately managed c) Provide an opinion as to whether the Board feel assured that there is clear evidence of serious incident investigations making a difference and leading to improvement							
<b>Presented by:</b>	Dianne Brown, Director of Nursing and Midwifery							
<b>Prepared by:</b>	Gregory Hope, Head of Risk, Compliance & Assurance							

This report covers (tick all that apply):

<b>Strategic objectives:</b>	
To develop a well led, capable motivated and entrepreneurial workforce	✓
To be ambitious and efficient and make best use of available resources	✓
To deliver safe services	✓
To participate in high quality research in order to deliver the most effective outcomes	✓
To deliver the best possible experience for patients and staff	✓

<b>Other:</b>			
NHS Improvement compliance	✓	Equality and diversity	
NHS constitution		Operational plan	

<b>Which standard/s does this issue relate to:</b>	
Care Quality Commission	SAFE, WELL-LED
Board Assurance Framework Risk	1d – Lessons Learnt

<b>Publication of this report (tick one):</b>	
This report will be published in line with the Trust's Publication Scheme, subject to redactions approved by the Board, within 3 weeks of the meeting	✓
This report will not be published under the Trust's Publication Scheme due to exemptions under S21 of the Freedom of Information Act 2000, because the information contained is reasonably accessible by other means	
This report will not be published under the Trust's Publication Scheme due to exemptions under S22 of the Freedom of Information Act 2000, because the information contained is intended for future publication	
This report will not be published under the Trust's Publication Scheme due to exemptions under S41 of the Freedom of Information Act 2000, because such disclosure might constitute a breach of confidence	
This report will not be published under the Trust's Publication Scheme due to exemptions under S43(2) of the Freedom of Information Act 2000, because such disclosure would be likely to prejudice the commercial interests of the Trust	

## 1. Introduction and summary

The Trust follows NHS England's guidance in reporting serious incidents and carrying out investigations. Both the local commissioners and the regulators are informed of the Trust's serious incidents and monitor the outcomes. Serious incidents are managed operationally through the Safety Senate and through the Governance and Clinical Assurance Committee.

This paper provides an overview of the current situation regarding serious incidents and makes suggestions regarding Board oversight.

## 2. Key Themes

### What is a Serious Incident?

The agreed definition, both nationally and in the Trust Policy, is that a Serious Incident is:-

*"An accident or incident when a patient, member of staff, or member of the public suffers serious injury, major permanent harm or unexpected death, (or the risk of death or injury), on hospital, other health service premises or other premises where health care is provided and where actions of health service staff are likely to cause significant public / media concern".*

In many cases it is immediately clear that a serious incident has occurred. It may however be unclear initially. Where it is not clear whether or not an incident fulfils the definition of a serious incident, the Trust aims to engage in open and honest discussions to agree the appropriate and proportionate response. Both NHS England and our local commissioners recognise that the simplest and most defensible position is for us to discuss openly, to investigate proportionately and to let the investigation decide. It is nationally accepted that organisations that report more incidents usually have a better and more effective safety culture.

### What are the Board's responsibilities regarding Serious Incidents?

Under Regulation 12 of the Health and Social Care Act 2008 Trusts have a duty to report, review and thoroughly investigate incidents that affect the health, safety and welfare of people using services. Trusts must be seen to be taking action to remedy the situation, taking action to prevent further occurrences and making sure that improvements are made as a result.

Regulation 12 is one of the CQC's fundamental standards below which care must never fall. It was agreed at GACA in September that the Executive Leads for this standard are Dianne Brown and Andrew Loughney and the Non-Executive Lead is David Astley.

The CQC are clear in their 2016 publication "Learning from serious incidents in NHS acute hospitals" that "Trust boards must ask themselves if their investigations are making a difference and leading to improvement." Assuring themselves that a Board are asking this question of serious incident investigations is central in the CQC's determination as to whether a Trust is safe and well-led.

### What is the process for investigating a Serious Incident?

The decision to declare an SI is made by an appropriate senior manager within the division (the Clinical Director for all clinical incidents) and must be confirmed with a member of the Executive Team prior to reporting. As soon as possible, but within 2 working days of the SI being identified, the whole Executive Team, local commissioners and the CQC are then informed that an SI has been declared and the incident is reported onto the national STEIS system.

Once an incident is reported the Trust has 60 working days to investigate and submit a report to the CCG. An Investigating Officer is appointed to ensure that a single coordinated, multidisciplinary investigation takes place in line with NHS England's 7 key principles. The investigating officer is provided with clear terms of reference and a remit to

- produce a report that identifies the fundamental issues that need to be addressed
- Formulate recommendations linked to an action plan that details what actions are to be taken to prevent or minimise the risk of reoccurrence.

After sign off by the relevant Clinical Director and a member of the Executive Team the investigation report and action plan is submitted to the CCG. The CCG then review the report to ensure it meets the expected standards and that the action plan is robust. They then monitor root cause actions until they are satisfied that there is evidence of completion. At this point they will close the case.

Robustness of actions and completion within expected timescales is monitored at local meetings as well as through the Safety Senate and GACA. Timeliness of completion is also monitored through the Performance Report.

### What is the current Trust position?

As of 23 December there had been 35 serious incidents reported at the Trust in 2016. This compares to 20 reported during 2015. Two of the incidents reported have been considered never events.

As of 23 December there are 18 'open' serious incident investigations. The table in **Appendix 1 of this report** provides summaries of themes on a case-by-case basis and gives an update as to current progress.

### What are the current Trust key themes?

#### **1. Failure to act on test results**

The Trust has one serious incident currently open relating to failure to act on test results and has reported a further two serious incidents of a similar nature in 2016. Investigations have found that there are significant differences in practice both across sites within the Trust and between this Trust and its external partners. There is also limited mitigation in place in the event there is an incorrect assignment of consultants, lead clinicians or location on requested results.

As a result of these investigations a risk has been escalated to the corporate risk register regarding the lack of robust processes to ensure that requested results are subsequently viewed and acted upon by relevant clinicians providing treatment and care. The issue has been raised with commissioners as a citywide IT solution is required to fully mitigate this risk. Clinical directors have been asked by the medical director to identify interim solutions.

## **2. Poor outcomes following MAU Attendance**

There are currently 2 open investigations where a neonatal death or stillbirth has occurred following an attendance of a woman at the Maternity Assessment Unit. There have been a further 3 serious incidents of a similar nature in 2016. In each initial assessments have been that there have been inadequacies in the care or treatment provided.

Following the earlier incidents the consultant presence on the Unit was increased and dedicated senior midwifery cover provided. A specific triage pathway with red flags was also introduced.

The recent incidents have been as a result of failures to follow the triage pathway and a failure to follow policy. A senior midwife has now been recruited and will be in place to manage triage at all times. Training is also being provided to unit staff as part of the Sign up to Safety package. The Associate Medical Director for Governance is preparing a Stillbirth Strategy to tackle the more strategic issues posed by these incidents.

As a result of the incidents the Safety Lead and Deputy Head of Midwifery have authored an all staff email reminder of the importance of following the triage pathway, particularly where there is a red flag for repeated self-referral with the same or similar symptoms. Staff were reminded specifically that any woman who calls the MAU on three occasions with a similar history or is in labour needs to be invited in for review. It was also reiterated that any woman who re-attends reporting the same or similar symptoms twice within 24 hours or three times within a week or is unable to tolerate a CTG or scan because of pain must be seen by a Band 7 Midwife and SpT 5-6 or above. The woman's care must also be discussed with the on call consultant obstetrician.

## **3. Unexpected Deaths in Gynaecology**

The Trust very rarely sees non-palliative adult deaths. In 2015-16 there were no non-palliative deaths of Gynaecology patients. There are currently 2 open investigations where a Gynaecology patient has died following non-palliative treatment at the Trust.

Both investigations remain ongoing but some immediate actions have been put in place to strengthen oversight. A Trustwide Mortality review was commissioned and presented to the Effectiveness Senate and to local commissioners in December. This included recommendations that:-

- Mortality reviews become a standing item at the Effectiveness Senate
- Each Effectiveness Lead presents a thematic review of mortality within their service biannually, ensuring there is accountability for and discussion of mortality indicators at a senior level.
- Gynaecology Mortality and Morbidity meetings be refreshed, minuted and have a clear terms of reference

### How does the Trust ensure lessons are learnt and changes in practice are made?

In addition to the external oversight of the CCG and CQC the Trust has a series of internal processes. The robustness of individual reports and actions are monitored at local meetings as well as through the Safety Senate and GACA. Timeliness of completion is also monitored through the Performance Report.



Thematic Analysis of lessons learnt from all serious incidents takes place on a biannual basis and is presented to GACA. There is then correlation with incidents, complaints, PALS and claims in the SEE Report. Bi-annual mock CQC inspections use information from all of these sources to provide targeted intelligence for assessments of whether changes in practice have become embedded.

There are plans in place to further strengthen testing of embedded change. An audit of lessons learnt has been registered with the clinical audit department and is scheduled to be completed in Quarter 1 of 2017-18. Alongside it will be a compendium of lessons learnt that aims to collect and share news of positive change across the Trust. Nursing & Midwifery walkabouts will provide an opportunity for unannounced testing of practice on a regular basis.

### **3. Conclusion**

The Trust works to an agreed national definition of what a Serious Incident is and has policies and guidance in place. Nominated Board members are in place to provide regulatory oversight and there are clear processes in place for sub-Committees to own and review Serious Incidents in detail.

There has been an increase in serious incidents reported in 2016 with 3 key themes emerging. Plans are in place for tackling all of them but there is a need for particular focus and clinical ownership of stillbirth and mortality. The Board should ensure it is well sighted on this in the coming months.

There are both external and internal mechanisms in place to ensure lessons are learnt and that any resultant change is embedded. There are clear plans in place to enhance this provision. Testing of change is the issue most pertinent to the Board due to the requirement for placed upon them to ensure serious incident investigations are “making a difference and leading to improvement”.

### **4. Recommendation**

The Board are asked to:-

- d) Agree to receive quarterly updates regarding serious incidents
- e) Agree that the key themes identified are being appropriately managed
- f) Provide an opinion as to whether they feel assured that there is clear evidence of serious incident investigations making a difference and leading to improvement

**5. Appendix 1 : Open Serious Incidents (as of 23 December)**

SI Reference	Date Reported	Summary	Service	Progress
2016/1835	21/01/2016	Failure to act on test results	Gynaecology	Report submitted in May.  Actions delayed as a citywide IT solution is required - thematic review presented to GACA in November.  Awaiting feedback from Warrington CCG.
2016/12560	09/05/2016	Potentially unexpected death (emergency C-Section after previous IUD diagnosis).	Maternity	Report and request to de-escalate submitted in June.  No outstanding actions  Awaiting feedback & confirmation of closure from Wirral CCG.
2016/16841	21/06/2016	Unplanned admission to Intensive Care Unit (complications of eclampsia following convulsions)	Maternity	Report submitted in September.  No outstanding actions  Feedback from Liverpool CCG provided in December – Trust is preparing a response.
2016/17042	23/06/2016	Intrauterine Death	Maternity	Report submitted in September.  Actions due for completion by February 2017.
2016/24702	20/09/2016	Unexpected death (38wk baby post-delivery)	Maternity	Report submitted in December.  No outstanding actions  Awaiting feedback & confirmation of closure from Liverpool CCG.
2016/25853	03/10/2016	Return to theatre and transfer to ICU	Gynaecology	Investigation in progress. Due for submission on 28/12/2016
2016/28171	19/10/2016	Delay in appointment (subsequent cancer diagnosis)	Gynaecology	Investigation in progress. Due for submission on 25/01/2017
2016/28164	28/10/2016	Unexpected death (15 days post hysterectomy)	Gynaecology	Investigation in progress. Due for submission on 25/01/2017
2016/28836	07/11/2016	Unexpected death (post laparoscopic biopsy)	Gynaecology	Investigation in progress. Due for submission on 02/02/2017

2016/30146	22/11/2016	Wrong Patient (Colposcopy & Biopsy)	Gynaecology	Never Event Investigation in progress. Due for submission on 17/02/2017
2016/22820	26/08/2016	Transfer to ITU (maternal sepsis)	Maternity	Investigation in progress. Due for submission on 31/12/2016
2016/32371	14/12/2016	Unexpected Death (Failure to follow Induction of Labour policy after rupture of membranes)	Maternity	Investigation in progress. Due for submission on 13/03/2017
2016/32974	20/12/2016	Intrauterine Death (no action on red flags following MAU re-attendance)	Maternity	Investigation in progress. Due for submission on 17/03/2017
2016/28177	28/10/2016	Unexpected death of 33 day preterm baby	Neonatal	Investigation in progress. Due for submission on 25/01/2017
2016/30132	21/11/2016	Commissioning Incident (Transfer of pregnant woman)	Neonatal	Escalated to NHS England for them to co-ordinate the investigation
2016/31119	01/12/2016	Wrong Patient (Lumbar puncture)	Neonatal	Never Event Investigation in progress. Due for submission on 28/02/2017
2016/31631	07/12/2016	Issues with arterial line (necrotic fingers)	Neonatal	Investigation in progress. Due for submission on 06/03/2017
2016/26977	14/10/2016	Service closure	Neonatal Transport Team	Investigation in progress. Due for submission on 11/01/2017

Agenda Item No:	17/010						
Meeting:	Trust Board						
Date:	January 2017						
Title:	Performance Dashboard - Month 8 - November 2016						
Report to be considered in Public or Private?	Public						
Where else has this report been considered and when?	Performance Group, Trust Management Group, Finance, Operations Board, Finance, Performance and Business Development Board						
Reference/s	Quality Strategy, Quality Schedule, CQUINS, Corporate Performance Indicators, Monitor Assurance Framework						
Resource impact:							
What is this report for?	Information		Decision		Escalation		Assurance
Which Board Assurance Framework risk(s) does this report relate to?	1. Deliver safe services 3. Deliver the best possible experience for patients and staff 4. To develop a well led, capable and motivated workforce 5 to be ambitious and efficient and make best use of available resources						
Which CQC fundamental standard(s) does this report relate to?	Good Governance Staffing Safety Complaints						
What action is required at this meeting?	To Note						
Presented by:	Jeff Johnson						
Prepared by:	David Walliker						

This report covers (tick all that apply):

Strategic objectives:	
To develop a well led, capable, motivated and entrepreneurial workforce	✓
To be ambitious and efficient and make best use of available resources	✓
To deliver safe services	✓
To participate in high quality research in order to deliver the most effective outcomes	✓
To deliver the best possible experience for patients and staff	✓

Other:

Monitor Compliance	✓	Equality and diversity
NHS Constitution		Integrated business plan

Publication of this report (tick one):

This report will be published in line with the Trust's Publication Scheme, subject to redactions approved by the Board, within 3 weeks of the meeting.		
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1. Introduction and summary

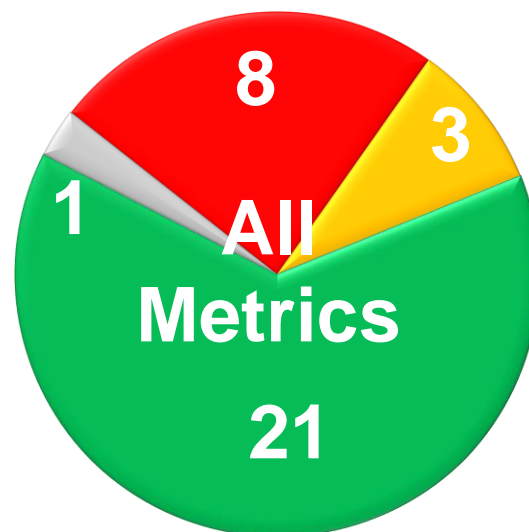
2. Issues for consideration

3. Conclusion

4. Recommendation/s

## Performance Report - Trust Board

Month 8 - November 2016



## Performance Summary - Trust Board -

Month 8 - November 2016

### Overview

Of the **33** KPI's RAG rated in the Trust Board Dashboard for November 2016, **21** are rated Green, **8** are rated Red and **3** are rated as Amber. The figure for Choose and Book is not yet available nationally, however, figures recently released for August 2016 shows a high rate of slots not available.

The KPI's rated as Red for November 2016 are:

- 3 x Finance KPI's reported separately via the Finance Report
- Sickness & Absence Rates at 5.88% against a target of  $\leq 4.5\%$
- Cancer 42 Day Referral on to Treating Trust at 0% against a target of 100% (concerns 1 patient)
- Maternity Triage within 30 minutes at 90% against a target of  $\geq 95\%$
- Non provision of Epidurals for non-clinical reasons at 7.5% against a target of  $\leq 5\%$
- 6 Week Wait for Diagnostics at 98.3% against a target of  $\geq 99\%$

The KPIs rated as Amber for November 2016 are:

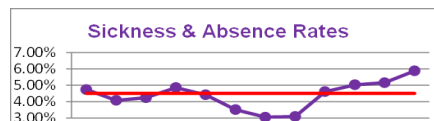
- HR: Appraisal & PDR Rate at 89% against a target of  $\geq 90\%$
- HR: Mandatory Training Rate at 93% against a target of  $\geq 95\%$
- HR: Staff Turnover Rate at 13% against a target of  $\leq 10\%$

To view the Full TMG/FPBD version of the Performance Dashboard double click the PDF icon to the right.

# Performance Summary - Trust Board -

Month 8 - November 2016

To develop a well led, Capable, Motivated and Entrepreneurial WORKFORCE



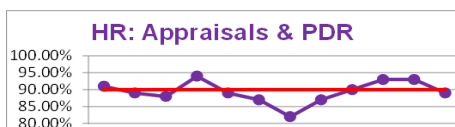
## Sickness and Absence Rate 5.88% against a target of $\leq 4.5\%$ (breach of 2 targets)

Eleven services are now rated as red. The shift towards greater proportion of short term sickness absence continued with the split in month eight being 42% short term and 58% long term.

In terms of the most prevalent diagnoses across the Trust, 'gastrointestinal problems' remained the top diagnosis. 'Anxiety/stress/depression' was ranked second (ranked third last month) and 'Other Musculoskeletal problems' was third.

Managers continue to work closely with their HR teams to ensure that individual cases are managed appropriately, that staff are managed on the appropriate stages and that staff are supported in returning to work as soon as is appropriate.

Support for managers is also provided by Occupational Health, particularly in terms of advice for supporting staff off long term in returning to work. It is anticipated that sickness levels should reach the Trust's target of 4.5% in quarter four.

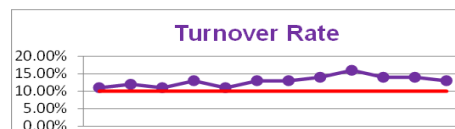


## Rate of Appraisals & PDR's completed at 89% against a target of $\geq 90\%$

Nine departments are rated as green. One remains rated as red (Transport), whilst 7 are amber. Genetics, Gynaecology, Imaging, Integrated Governance, Medical, Pharmacy and Trust Offices.

The L&D and HR teams continue to provide detailed information to managers with regards to PDR compliance in their areas of responsibility. Ongoing workshops are scheduled for managers and reviewees.

Managers are required to have plans in place to ensure that compliance targets are met and maintained, and these are regularly reviewed and updated. It is expected that compliance will be achieved again by the end of Quarter 3.

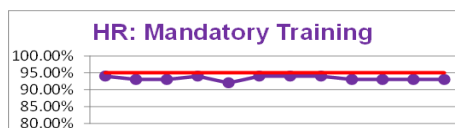


## Rate of Staff Turnover at 13% against a target of $\leq 10\%$

14 people left the Trust in November 2016 compared to 11 in October 2016. Of the 17 departments, in the Trust, 13 are rated as red.

Work is being undertaken with Theatres to formulate a specific recruitment and retention strategy to address the continuing concerns with their level of turnover. Managers are provided with detailed information on turnover by the Human Resources Department so that they can identify any concerns. The potential impact of Future Generations will continue to be monitored.

The turnover figure for the Trust has been consistently above target since September 2015. It is likely that this trend will continue for the foreseeable future although the aim is to bring the figure under target by the end of quarter four.



## Rate of Mandatory Training completed at 93% against a target of $\geq 95\%$

Overall, eight areas are currently rated as green, nine as amber, and no areas are currently rated as red.

All ward and department managers are required to have appropriate plans in place to ensure that compliance rates are reached and maintained, and these are reviewed and updated each month.

Efforts are ongoing to reach the overall mandatory training target of 95%, and it is anticipated the target will be reached by the end of quarter three.



## Performance Summary - Trust Board -

Month 8 - November 2016

To be EFFICIENT and make best use of available resources

Financial Report will be provided separately (3 x Red KPIs)

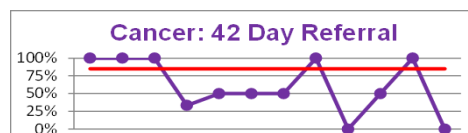
To deliver SAFER services

There are no Red or Amber rated KPIs in this section

## Performance Summary - Trust Board -

Month 8 - November 2016

To deliver the most EFFECTIVE outcomes



### Cancer 42 Day Referral onto treating Trust at 0% against a target of 100%

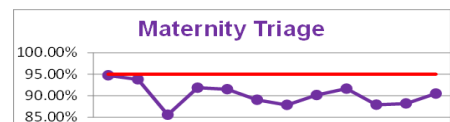
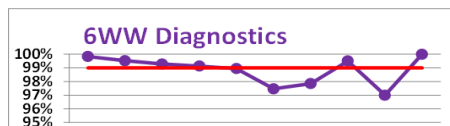
There was one patient that required referral on to another Trust for treatment. Patient attended RAC (day 12) sent for in-pt Hysteroscopy, attended pre-op (day 20), cleared and offered TCI (day 24), TCI (day28), Results reported (day 46) 18 days delay, MDT (day 54) assess in clinic, MRI & CT, Outpatients (day 56), MRI (day67), CT (day 70), MDT (day 75) final treatment plan if for systemic chemotherapy, then radiotherapy, Palliative only. Sent to CCC (day75).

Key delays, initial pre-op (but patient did have complications noted in RAC apt), results taking 18 days and 12 days for MRI. Had both been below 7-day max expectations we would have saved 24 days.

# Performance Summary - Trust Board -

Month 8 - November 2016

To deliver the best possible EXPERIENCE for patients and staff



## 6 Weeks Diagnostic Waits at 98.3% against a target of $\geq 99\%$

11 patients from a total of 633 waited longer than 6 weeks for their Diagnostic Test. All 11 were waiting for a Cystometry. Review of cystometry patients is ongoing to ensure that they are booked in order of wait times.

## Maternity Triage within 30 minutes at 90.5% against a target of $\geq 95\%$

Although the Target rate has not been achieved, this is the 3rd consecutive month where performance has improved.

On average the MAU reviews nearly 1000 per month. The organisations aim is to see all women attending the MAU within 30 minutes of arrival; at times this is not always achieved.

Women are categorised in either a red, amber or green, based on clinical presenting history from the initial phone call to the department, so therefore if several women do arrive together the order women are seen is based on clinical need and not only on the time of arrival alone. If a woman is classified as red, she needs to be seen and assessed as a priority, which may delay other women falling outside the set target.

Although members of the medical team are assigned to the MAU, due to other activity across the maternity unit they are required to support other activity, this results in women not being assessment in a timely manner, blocking MAU, delaying movement. At times Junior medical staff will see women but are not able to make decisions and need to seek additional senior opinion. Delays in the flow of women through the rest of the service, can also impact upon MAU.

At times women are also delayed due to lack of available bed on the Maternity base, again this impacts on the ability to effectively move women through the service. Out of hours the Maternity Day Unit women are seen by MAU, the numbers are variable but put additional pressure on the MAU. Also some women who require scan review or a CTG are also asked to attend the MAU adding to pressures.

## Epidural not given for non-clinical reasons at 7.6% against a target of $\leq 5\%$

Of 132 patients that requested an epidural, 10 did not receive one due to non clinical reasons. 5 due to Acuity, 4 due to anaesthetist not being available and 1 where a Midwife was not available. Ward managers monitor epidural requests. Shiftleaders communicate between the 2 areas to ensure women if requested can get the pain relief of their choice without compromising safety.

The ward managers are currently reviewing transfer delays from the Intrapartum areas to the postnatal wards. Breach analysis forms have now been introduced into the Intrapartum areas that will provide exact details of why an epidural could not be provided. This in turn will enable the ward managers to identify any area of concern.

Daily operational huddles have also been introduced to monitor and reduce these issues. Postnatal area are reviewing the discharge process to ensure any obstacles that potentially delay women going home in a timely manner are being addressed.

Expected Date of Discharge is being clearly identified next to all women on the handover board on the postnatal wards to ensure all staff have clear guidance around the expectations for discharging women to the care of the community midwifery team.

## Performance Summary - Trust Board -

Month 8 - November 2016

### Emerging Concerns

Of emerging concern in November 2016 is 18 Week RTT for Genetics as they are at 81% and due to both capacity and demand will struggle to achieve the 92% target rate in the coming months. Only the Aggregate level is reported to NHS Improvement (Monitor). For the past 4 months the aggregate rate has been between 92.2% and 92.9%. There is a risk that if Genetics performance deteriorates and/or that other areas such as Gynaecology begin to experience problems with capacity, that the Trust could fail to attain the 92% in the coming months.

### Conclusion

Overall, for November 2016 performance has dipped in comparison to October 2016. However, most of the KPI's where the targets have not been attained have been prevalent throughout the year. These include the HR KPIs along with Maternity Triage, Epidural Provision, Diagnostic Waits, Unplanned Re-attendances to A&E, and Malnutrition Care Plans. It is anticipated that overall performance will improve when reporting December's position although some of the KPI's that the Trust has failed to achieve through the year will continue to be of concern come the new year.

### Recommendations

It is recommended that the Trust Board receives and reviews the content of the report in relation to the assurance it provides of Trust performance and request any further actions considered necessary.

LWH - The Board Report			2016/17		Key: TBA = To Be Agreed. TBC = To Be Confirmed, TBD = To Be Determined, ID = In Development									
To develop a well led, Capable, Motivated and Entrepreneurial WORKFORCE														
Indicator Name	Ref	Target	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Staff Friends & Family Test (PULSE)		Compliant	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant				
HR: Sickness & Absence Rates (Commissioner)		<= 4.5%	4.42%	3.51%	3.05%	3.09%	4.61%	5.03%	5.16%	5.88%				
HR: Annual Appraisal and PDR		>= 90%	89.00%	87.00%	82.00%	87.00%	90.00%	92.00%	90.00%	89.00%				
HR: Completion of Mandatory Training		>= 95%	92.00%	94.00%	94.00%	94.00%	93.00%	93.00%	93.00%	93.00%				
HR: Turnover Rate		<= 10%	11.00%	13.00%	13.00%	14.00%	16.00%	14.00%	14.00%	13.00%				
To be EFFICIENT and make best use of available resources														
Indicator Name	Ref	Target	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Planned Surplus/ Deficit (YTD) £'000		Planned Cumulative	£710	£1,434	£2,104	£2,282	£3,069	£3,480	£3,763	£4,460	£5,431	£5,823	£6,529	£7,000
Actual Surplus / Deficit (YTD) £'000		<= Planned	£696	£1,375	£2,027	£2,297	£3,098	£3,440	£3,741	£4,429				
Planned CIP (YTD) £'000		Planned Cumulative	£167	£333	£500	£667	£833	£1,000	£1,167	£1,333	£1,500	£1,667	£1,833	£2,000
Actual CIP (YTD) £'000		>= Planned	£46	£114	£170	£226	£283	£511	£793	£1,075				
Planned Cash Balance (YTD) £'000		Planned Cumulative	£1,189	£1,000	£2,242	£1,001	£1,001	£2,816	£1,001	£1,001	£1,152	£1,000	£1,853	£1,001
Actual Cash Balance (YTD) £'000		>= Planned	£4,913	£4,898	£5,395	£4,517	£4,318	£3,764	£3,568	£3,706				
Planned Capital (YTD) £'000		Planned Cumulative	£119	£436	£1,113	£1,330	£1,597	£3,049	£3,156	£3,474	£3,722	£3,990	£4,098	£4,314
Actual Capital (YTD) £'000		>= Planned	£89	£220	£311	£602	£914	£1,221	£1,380	£1,549				
Monitor: Financial Sustainability Risk Rating: Capital Cover		1	1	1	1	1	1	1	4	4				
Monitor: Financial Sustainability Risk Rating: Liquidity		2 (1 from Sep 2016)	2	2	1	1	1	1	4	4				
Monitor: Financial Sustainability Risk Rating: I & E Margin		1	1	1	1	1	1	1	4	4				
Monitor: Financial Sustainability Risk Rating: Variance to Plan		4	4	4	4	3	3	4	1	1				
Monitor: Financial Sustainability Risk Rating: Overall Score		2	1	2	2	2	2	2	3	3				
Monitor: Financial Sustainability Risk Rating: Agency Cap		0	51	25	57	88	75	68	138	138				

LWH - The Board Report			2016/17		Key: TBA = To Be Agreed. TBC = To Be Confirmed, TBD = To Be Determined, ID = In Development									
To deliver SAFER services														
Indicator Name	Ref	Target	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Safer Staffing Levels (Overall - includes Registered and Care Staff)		<= 90%	92.78%	91.92%	92.60%	91.72%	86.86%	89.53%	89.14%	93.55%				
Serious Incidents: Number of Open SI's		Monitoring Only	23	23	20	20	20	19	21	17				
Serious Incidents: Number of New SI's		Monitoring Only	1	2	4	2	2	2	5	3				
% of women seen by a midwife within 12 weeks		>= 90%	96.82%	85.53%	95.70%	94.88%	91.78%	93.28%	92.38%	93.91%				
Neonatal Bloodstream Infection Rate		TBD	0.11	0.00	0.00	1.30	2.70	1.30	0.00	0.00				
To deliver the most EFFECTIVE outcomes														
Indicator Name	Ref	Target	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Cancer: Referral to Treating Trust by day 42	EXP_11	100%	50%	50%	50%	100%	None	100%	100%	0%				
Biochemical Pregnancy Rates		> 30% TBC	45.94%	47.62%	46.21%	44.70%	47.13%	48.63%	45.58%	45.13%				
Still Birth Rate (excludes late transfers)		TBD	0.00	0.01	0.01	0.01	0.00	0.00	0.00	0.00				
Neonatal Deaths (all live births within 28 days)		Rate per 1000 TBD	1.44	2.90	6.65	1.33	2.66	5.17	0.00	0.00				
Returns to Theatre		<= 0.7% TBC	0.64%	1.03%	0.50%	0.51%	0.22%	0.21%	0.32%	0.56%				
To deliver the best possible EXPERIENCE for patients and staff														
Indicator Name	Ref	Target	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Maternity: Triage within 30 minutes	KPI_35	>= 95%	91.50%	89.05%	87.86%	90.17%	91.66%	87.90%	88.24%	90.49%				
Number of Complaints received		<= 15	15	5	13	18	13	19	16	10				
18 Week RTT Incompletes (aggregate)		>= 92%	95.71%	95.90%	93.86%	95.20%	94.28%	92.63%	92.20%	93.03%				
Friends & Family Test		> 75%	99.26%	98.47%	98.60%	97.52%	98.37%	99.11%	98.51%	97.85%				
% Women that requested and Epidural, but weren't given one for non-clinical reasons		<= 5%	6.37%	3.66%	6.29%	6.04%	5.45%	5.66%	7.56%	7.58%				
% Women given one to one care whilst in established Labour (4cm dilation)		>= 95%	96.86%	96.08%	94.44%	95.74%	95.60%	93.23%	95.97%	99.12%				
6 Week Wait Diagnostic Tests		>= 99%	98.96%	97.47%	97.85%	100%	97.00%	100%	99.22%	98.26%				
Last Minute Cancellation for non-clinical reasons		<= 4%	4.30%	6.31%	5.81%	5.01%	4.79%	4.20%	2.64%	5.28%				
Last Minute Cancellation for non-clinical reasons (Not re-admitted within 28 days)		0	0	0	0	0	0	0	0	0				
Failure to ensure that sufficient appointment slots are available on Choose & Book		< 6%	16.29%	13.23%	3.13%	22.48%	18.47%	Not Available	Not Available	Not Available				

## Safe Staffing Report Month 8 - November 2016

Ward	RN/RM			Unqualified			Staff Availability		Care Delivery		Nurse Sensitive Indicators								Patient Experience		
	Fill Rate Day%	Fill Rate Night%	RN/RM CHPPD	Fill Rate Day%	Fill Rate Night%	Total Workforce CHPPD	Sickness %	Vacancy %	Numis Indicators (N)	Numis indicators achieved (N)	Red Flag Incidents Reported (N)	CDT	MRSA	Falls no harm (n)	Falls Harm (N)	HAPU grade 1&2	HAPU Grade 3&4	Drug Admin Errors	New Complaints	FFT (no of responses)	% Recommend this hospital
Gynae 1	98.4%	100.0%	5.5	111.1%	100.0%	8.7	6.22%	17%			0	0	0	0	0	0	0	0		8	75%
Narrative	Sickness - all sickness is being managed in accordance with the Trusts Attendance Management Policy. Vacancy - 1 x 1 WTE band 5 recruited to starts in post 02/01/17 1 x 0.92 WTE band 6 HDU practitioner post, VAC form completed awaiting exec approval. 1 x 0.92 band 5 vacancy – post under review as part of the inpatient redesign project																				
Gynae 2	94.4%	98.8%	5.1	94.2%	100.0%	7.2	4.38%	16%			0	0	0	0	0	0	0	1		12	100%
Narrative	Sickness - All sickness is being managed in accordance with the Trusts Attendance Management Policy. Maternity Leave - Band 5 staff nurse x 4 on maternity leave Vacancies - Band 5 nursing posts x 4 vacant. Posts under review as part of the inpatient redesign project. Drug Error - IV fluids administered without Px.no harm to patient, incident completed and investigated, SMART action plan developed and training in place for staff member.																				
Delivery & Induction Suites	88.7%	88.9%	3.7	127.4%	86.7%	5.6	9.68%	0%			6	0	0	0	0	0	0	2		N/A	N/A
Narrative	Staff sickness is higher than Trust target at present. This is due to long term staff sickness. All staff who are off have had regular meetings with manager and HR representative and the Attendance Management Policy is being adhered to. Since this report has been formulated. The 2 drug errors are currently being investigated and all information will be shared between the team.																				
Mat Base	96.7%	93.2%	28.4	82.7%	106.7%	33.9	8.73%	2%			0	0	0	0	0	0	0	1		N/A	N/A
Narrative	Staff sickness is higher than Trust target at present. This is due to long term staff sickness. All staff who are off have had regular meetings with manager and HR representative and the Attendance Management Policy is being adhered to. Since this report has been formulated. Two staff members have returned with comprehensive supportive plans to manage them back into the working environment. The drug administration error was regarding a patient who had a prescribed drug too early. This error had been actioned appropriately. The woman was reviewed by medical staff, there was no harm. The manager has raised the drug error with the registered staff member and this has been recorded and will be monitored.																				
MLU & Jeffcoate	80.6%	82.8%	29.7	96.7%	96.7%	35.5	4.23%	9%			0	0	0	0	0	0	0	0		64	99%
Narrative	No current issues.																				
NICU	99.2%	101.9%	12.0	85.0%	65.0%	13.1	6.12%	10%			1	0	0	0	0	0	0	2		0	0
Narrative	Sickness in November has increased to 6.12% with an even split between short and long term sickness . There are 2.5 WTE Band 5 vacancies being recruited to - interviews December 16th . 14 staff currently off on maternity leave. Safe staffing levels have been maintained using Bank shifts from staff with substantive posts. This is closely monitored. Future staffing plans will review the need to increase establishment of non registered staff at Band 3 to improve the fill rate in this staffing group																				

Key Fill Rate	<80%	80.94.9%	95-109.9%	>110%
Key Sickness	> 4.5%		<= 4.5%	
Key Vacancy	> 10%		<= 10%	
Key F&FT	< 95%		>= 95%	



<b>Agenda item no:</b>	17/011		
<b>Meeting:</b>	Board of Directors		
<b>Date:</b>	6 January 2017		
<b>Title:</b>	Month 8 2016/17 Finance Report		
<b>Report to be considered in public or private?</b>	Public		
<b>Where else has this report been considered and when?</b>	n/a		
<b>Reference/s:</b>	Operational Plan and Budgets 2016/17 Operational Plan and Budgets 2017 - 2019		
<b>Resource impact:</b>	-		
<b>What is this report for?</b>	Information	<input checked="" type="checkbox"/>	Decision
			Escalation
			Assurance
		<input checked="" type="checkbox"/>	
<b>Which Board Assurance Framework risk/s does this report relate to?</b>	5a		
<b>Which CQC fundamental standard/s does this report relate to?</b>			
<b>What action is required at this meeting?</b>	To note the Month 8 financial position		
<b>Presented by:</b>	Vanessa Harris - Director of Finance		
<b>Prepared by:</b>	Jenny Hannon - Deputy Director of Finance		

This report covers (tick all that apply):

<b>Strategic objectives:</b>			
To develop a well led, capable motivated and entrepreneurial workforce			
To be ambitious and efficient and make best use of available resources			<input checked="" type="checkbox"/>
To deliver safe services			
To participate in high quality research in order to deliver the most effective outcomes			
To deliver the best possible experience for patients and staff			
<b>Other:</b>			
Monitor compliance	<input checked="" type="checkbox"/>	Equality and diversity	
Operational plan	<input checked="" type="checkbox"/>	NHS constitution	

<b>Publication of this report</b> (tick one):	
This report will be published in line with the Trust's Publication Scheme, subject to redactions approved by the Board, within 3 weeks of the meeting	✓
This report will not be published under the Trust's Publication Scheme due to exemptions under S21 of the Freedom of Information Act 2000, because the information contained is reasonably accessible by other means	
This report will not be published under the Trust's Publication Scheme due to exemptions under S22 of the Freedom of Information Act 2000, because the information contained is intended for future publication	
This report will not be published under the Trust's Publication Scheme due to exemptions under S41 of the Freedom of Information Act 2000, because such disclosure might constitute a breach of confidence	
This report will not be published under the Trust's Publication Scheme due to exemptions under S43(2) of the Freedom of Information Act 2000, because such disclosure would be likely to prejudice the commercial interests of the Trust	

## 1. Executive Summary

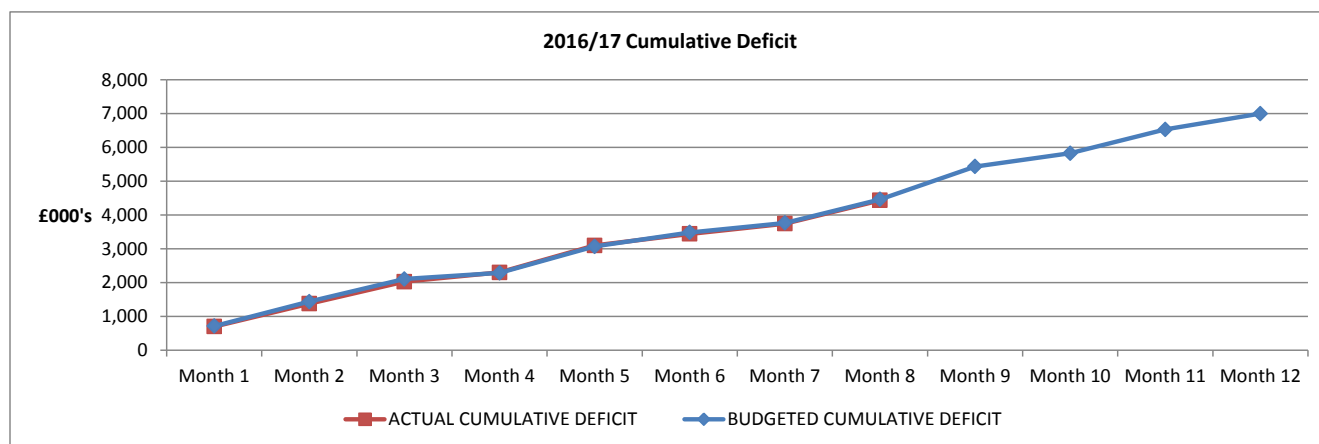
The 2016/17 budget was approved at Trust Board in April 2016. This set out a deficit of £7m for the year (as per the control total set out by NHS Improvement), an FSRR of 2 and a cash shortfall of £7.7m. This planned position assumes receipt in full of £2.8m Sustainability and Transformation Funding.

In Month 8 the Trust is reporting a monthly deficit of £0.690m against a deficit plan of £0.696 which is a positive variance of £0.006m for the month. Cumulatively the Trust is ahead of plan by £0.027m.

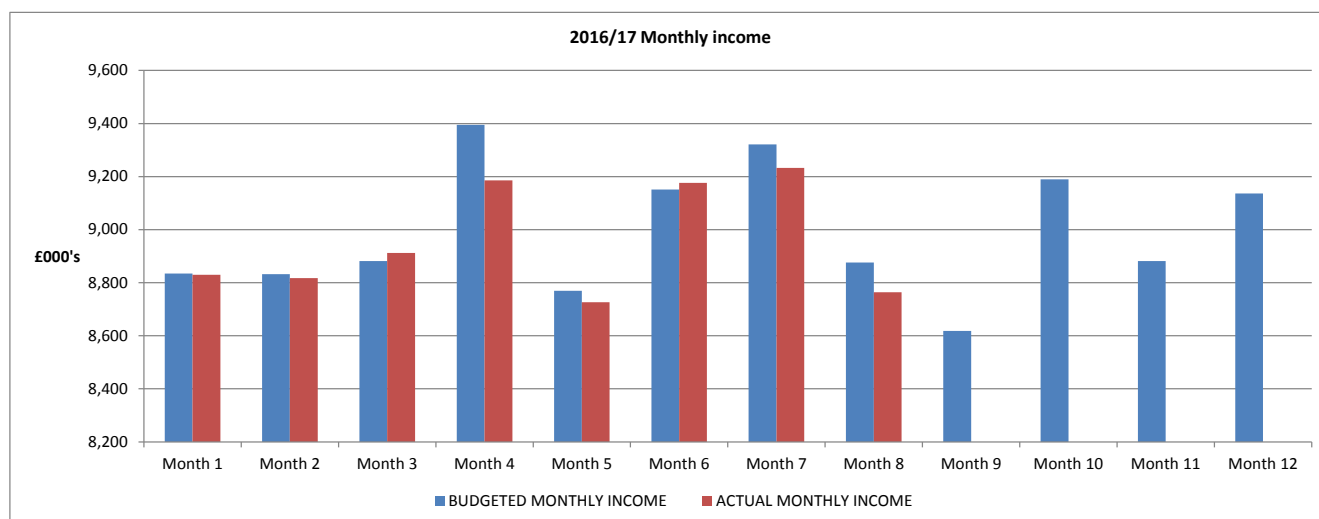
Following further detailed review in Month 8, the Trust is still forecasting to achieve the overall control total of £7m deficit for the full year. Key areas of over and under performance remain consistent with prior months and are being managed in year. The recurrent impact of this has been assessed and factored into planning for 2017/18.

## 2. Summary Financial Position

The Trust remains on target to meet the financial control total in 2016/17.



Total income in month was lower than plan, this is largely attributable to the Hewitt Fertility Centre which is reported in section 4.



Pay expenditure overall remains below budget, predominantly due to vacancies across a number of services including Hewitt Centre and Catherine Medical. The vacancies are reflective of controls over staffing in relation to lower than planned levels of activity in those services.

Non-pay expenditure is forecast to be above plan primarily due to the non-delivery of CIP in gynaecology/theatres (inpatient redesign) which is planned to deliver in 2017/18.

Following a mid-year review of the currently paused capital program and current level of cash borrowings, the Trust has been able to report a positive forecast in relation to technical items which is supporting the delivery of the position in year.

On 1 October 2016 the new Single Oversight Framework regime came into force. The Trust delivers a rating of 3 (with a 4 being the lowest rating) as per the table set out in Appendix 2. The Trust had planned an FSRR of 2 which ranks comparably under the new framework.

### **3. Financial Forecast**

The Trust remains in a position to deliver the control total, mitigating the key areas of non-delivery (HFC, gynaecology/theatres CIP) through maternity over-performance, strong management of technical items and the use of previously uncommitted non-pay inflation.

The Trust takes a realistic but prudent view to forecasting to ensure that focus remains on delivering the financial plan. All known downsides are reflected within the outturn.

There are also a number of actions in place to ensure financial grip is in place across the Trust to minimise the risk of further deterioration.

As recovery plans begin to deliver in areas where additional focus has been placed, there is a possibility that the Trust may be able to outperform the financial control total, however this will not be recognised in the position until there is greater certainty.

### **4. Service Review**

The service position is largely consistent with Month 7 with the exception of gynaecology which has shown improvement and a return to over-performance in month.

Key areas to note are:

#### **Hewitt Fertility Centre (HFC)**

The financial impact to date is a net £0.907m behind plan with a projected £1.2m full year shortfall.

As reported at Month 7 the HFC position remains impacted by

- a) Deterioration within forecast activity
- b) Slippage within the delivery of the recovery plans
- c) Non-delivery of the Kings Joint Venture contribution (CIP scheme) and subsequent losses

The service is currently reviewing areas where it may recover activity and is reviewing service delivery to mitigate against any recurrent loss of service.

HFC recovery is currently being scrutinised by Non-Executive Director chaired Hewitt Oversight Board, and additional turnaround support has been pointed towards this area.

2017/18 financial plans take into account the recurrent impact of the non-delivery and recognise the requirement to deliver additional savings as a result.

### Gynaecology and Theatres

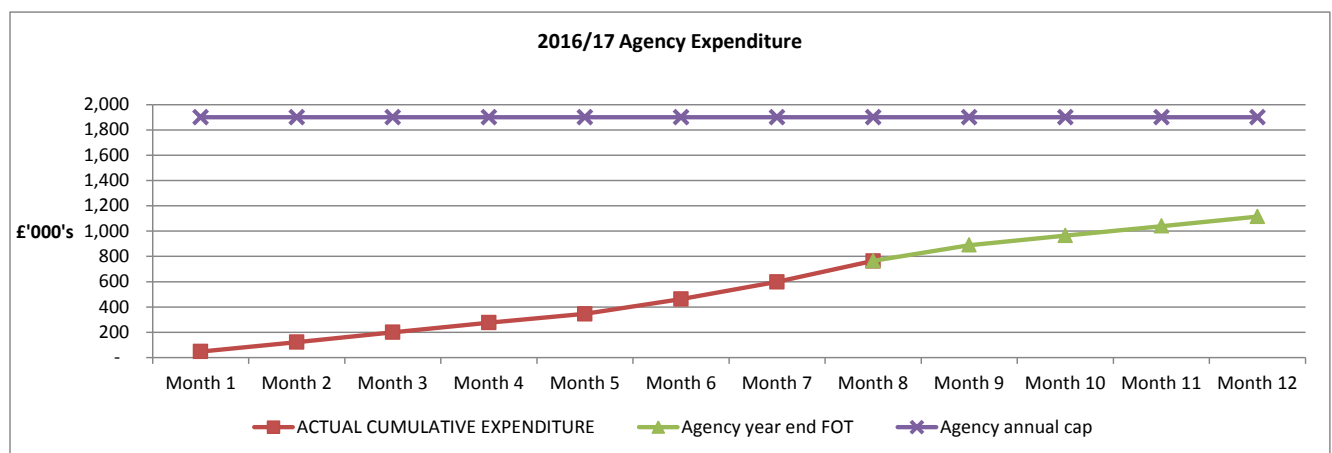
Activity performance across general gynaecology services was strong during the first half of the financial year however this out-performance had dipped in recent months. Month 8 performance demonstrates a return to the earlier high levels.

### Neonatal

The service remains on target to achieve the plan for the year.

## 5. Agency Spend

The chart below illustrates the level of agency spend against budget and in terms of the agency cap set for the Trust.



The Trust remains as one of the strongest performers against the agency cap in the region.

## 6. CIP Delivery

The Trust has an annual CIP target in 2016/17 of £2m, which represents c2% of the Trust's income. This is made up of ten schemes and has been transacted through the ledger as part of budget setting.

Under-delivery of the ten identified CIP schemes remains as £1m for the full year. This arises from two schemes each valued at £0.5m - Hewitt Fertility Centre Growth and Theatre/inpatient redesign. This is reflected in the performance reported above.

Recurrent delivery of these schemes is included within the 2017/18 financial plans.

## 7. Operational and Financial Planning 2017- 2019

The Trust submitted its operational plan and financial planning templates to NHSI on 29 December 2016. These included the costs of mitigating the clinical risks as identified within the Trust's clinical case for change. As previously noted by the Board, as a result of addressing the clinical risks the Trust is unable to agree to the financial control total set by NHSI.

## 8. Cash and borrowings

During 2015/16 the Trust was in receipt of £5.6m Interim Revenue Support from the Department of Health (DH). This is in addition to £5.5m of ITFF capital funds previously drawn down which is now in the process of being repaid at a principle sum of £0.6m per annum.

The £5.6m Interim Revenue Support is due for repayment, in full, in March 2018. This will need to be replaced by longer term, planned support. For financial planning purposes NHSI have indicated that the Trust should assume that the loan is extended.

The Trust's financial plan for 2016/17 indicated a further requirement for cash of £7.7m. At the start of the financial year the Trust was advised by NHSI to extend an existing working capital facility on a month by month basis. This facility was originally set up at £2.5m in 2015/16 at an interest rate of 3.5%. As at Month 8 the Trust has drawn down £2m of the facility, with a further £1m drawn in December 2016 and £0.6m planned in January 2017.

The Trust's cash flow requirements are produced on a daily basis. The latest cash flow, which has undergone sensitivity analysis, indicates that the Trust will be within the £7.7m planned figure for the full year.

The cash balance as at the end of Month 8 was £3.7m.

## **9. BAF Risk**

There are no changes proposed to the BAF risk ratings.

## **10. Conclusion & Recommendation**

The Board are asked to note the Month 8 financial position.

**LIVERPOOL WOMEN'S NHS FOUNDATION TRUST**

**FINANCE REPORT: M8**

**YEAR ENDED 31 MARCH 2017**

## **Contents**

- 1** NHS Improvement Ratios
- 2** Income & Expenditure
- 3** Expenditure
- 4** Service Performance
- 5** Balance Sheet



**LIVERPOOL WOMEN'S NHS FOUNDATION TRUST**
**NHS IMPROVEMENT RATIOS: M8**
**YEAR ENDED 31 MARCH 2017**
**1**

USE OF RESOURCES RISK RATING	YEAR TO DATE		YEAR	
	Budget	Actual	Budget	FOT
<b>CAPITAL SERVICING CAPACITY (CSC)</b>				
(a) EBITDA + Interest Receivable	(59)	(290)	(400)	(973)
(b) PDC + Interest Payable + Loans Repaid	1,706	1,560	2,712	2,401
<b>CSC Ratio = (a) / (b)</b>	<b>(0.03)</b>	<b>(0.19)</b>	<b>(0.15)</b>	<b>(0.41)</b>
<b>NHSI CSC SCORE</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Ratio Score 1 = &gt; 2.5 2 = 1.75 - 2.5 3 = 1.25 - 1.75 4 = &lt; 1.25</b>				
<b>LIQUIDITY</b>				
(a) Cash for Liquidity Purposes	(4,398)	(4,439)	(8,924)	(8,924)
(b) Expenditure	72,127	71,945	108,297	108,014
(c) Daily Expenditure	301	300	301	300
<b>Liquidity Ratio = (a) / (c)</b>	<b>(14.6)</b>	<b>(14.8)</b>	<b>(29.7)</b>	<b>(29.7)</b>
<b>NHSI LIQUIDITY SCORE</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Ratio Score 1 = &gt; 0 2 = (7) - 0 3 = (14) - (7) 4 = &lt; (14)</b>				
<b>I&amp;E MARGIN</b>				
Deficit (Adjusted for donations and asset disposals)	4,457	4,430	6,992	6,992
Total Income	(71,728)	(71,963)	(107,387)	(107,349)
<b>I&amp;E Margin</b>	<b>-6.21%</b>	<b>-6.16%</b>	<b>-6.51%</b>	<b>-6.51%</b>
<b>NHSI I&amp;E MARGIN SCORE</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Ratio Score 1 = &gt; 1% 2 = 1 - 0% 3 = 0 - (-1%) 4 = &lt; (-1%)</b>				
<b>I&amp;E MARGIN VARIANCE FROM PLAN</b>				
I&E Margin (Actual)		-6.16%		-6.51%
I&E Margin (Plan)		-6.21%		-6.51%
<b>I&amp;E Variance Margin</b>	<b>0.00%</b>	<b>0.06%</b>	<b>0.00%</b>	<b>-0.002%</b>
<b>NHSI I&amp;E MARGIN VARIANCE SCORE</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>Ratio Score 1 = &gt; 0% 2 = (1) - 0% 3 = (2) - (1)% 4 = &lt; (2)%</b>				
<b>Note: NHSI assume the score of the I&amp;E Margin variance from Plan is a 1 for the whole year and year to date budget. This is because NHSI recognise the fact that an organisation would not "plan" to have a variance from plan and have not applied a calculated ratio to the budgeted columns of this metric.</b>				
<b>AGENCY SPEND</b>				
YTD Providers Cap	1,283	1,283	1,924	1,924
YTD Agency Expenditure	472	759	708	1,114
	<b>-63.20%</b>	<b>-40.83%</b>	<b>-63.20%</b>	<b>-42.10%</b>
<b>NHSI AGENCY SPEND SCORE</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Ratio Score 1 = &lt; 0% 2 = 0% - 25% 3 = 25% - 50% 4 = &gt; 50%</b>				
<b>Overall Use of Resources Risk Rating</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

Note: scoring a 4 on any of the metrics will lead to a financial override score of 3.

LIVERPOOL WOMEN'S NHS FOUNDATION TRUST  
INCOME & EXPENDITURE: M8  
YEAR ENDED 31 MARCH 2017

2

INCOME & EXPENDITURE £'000	MONTH			YEAR TO DATE			YEAR		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	FOT	Variance
<b>Income</b>									
Clinical Income	(8,293)	(8,552)	259	(67,391)	(67,522)	132	(100,881)	(100,318)	(563)
Non-Clinical Income	(584)	(212)	(372)	(4,671)	(4,121)	(549)	(7,006)	(6,711)	(295)
<b>Total Income</b>	<b>(8,876)</b>	<b>(8,764)</b>	<b>(113)</b>	<b>(72,061)</b>	<b>(71,644)</b>	<b>(417)</b>	<b>(107,887)</b>	<b>(107,029)</b>	<b>(858)</b>
<b>Expenditure</b>									
Pay Costs	5,613	5,598	14	44,900	44,304	596	67,352	66,630	722
Non-Pay Costs	2,219	2,179	40	17,689	18,103	(414)	26,638	27,076	(438)
CNST	1,192	1,192	0	9,538	9,538	0	14,307	14,308	(1)
<b>Total Expenditure</b>	<b>9,024</b>	<b>8,969</b>	<b>55</b>	<b>72,127</b>	<b>71,945</b>	<b>182</b>	<b>108,297</b>	<b>108,014</b>	<b>283</b>
<b>EBITDA</b>	<b>147</b>	<b>205</b>	<b>(58)</b>	<b>65</b>	<b>301</b>	<b>(235)</b>	<b>410</b>	<b>985</b>	<b>(575)</b>
<b>Technical Items</b>									
Depreciation	375	340	35	3,000	2,889	111	4,500	4,238	263
Interest Payable	35	16	19	280	206	74	420	246	174
Interest Receivable	(1)	(1)	0	(7)	(11)	4	(10)	(11)	1
PDC Dividend	140	131	9	1,120	1,048	72	1,680	1,543	137
Profit / Loss on Disposal	0	0	0	0	0	0	0	0	0
<b>Total Technical Items</b>	<b>549</b>	<b>485</b>	<b>64</b>	<b>4,394</b>	<b>4,132</b>	<b>262</b>	<b>6,590</b>	<b>6,015</b>	<b>575</b>
<b>(Surplus) / Deficit</b>	<b>696</b>	<b>690</b>	<b>6</b>	<b>4,459</b>	<b>4,432</b>	<b>27</b>	<b>7,000</b>	<b>7,000</b>	<b>0</b>

LIVERPOOL WOMEN'S NHS FOUNDATION TRUST  
EXPENDITURE: M8  
YEAR ENDED 31 MARCH 2017

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EXPENDITURE £'000	MONTH			YEAR TO DATE			YEAR		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	FOT	Variance
<b>Pay Costs</b>									
Board, Execs & Senior Managers	337	346	(9)	2,698	2,697	1	4,047	4,054	(7)
Medical	1,271	1,244	26	10,165	9,964	201	15,248	14,922	326
Nursing & Midwifery	2,504	2,436	68	20,031	19,455	576	30,047	29,269	779
Healthcare Assistants	391	391	0	3,127	3,147	(20)	4,691	4,738	(47)
Other Clinical	543	479	64	6,410	6,122	288	6,513	6,083	431
Admin Support	159	162	(3)	1,271	1,338	(67)	1,906	2,003	(96)
Corporate Services	358	376	(17)	797	817	(19)	4,299	4,448	(150)
Agency & Locum	50	165	(115)	400	764	(364)	600	1,114	(514)
<b>Total Pay Costs</b>	<b>5,613</b>	<b>5,598</b>	<b>14</b>	<b>44,900</b>	<b>44,304</b>	<b>596</b>	<b>67,352</b>	<b>66,630</b>	<b>722</b>
<b>Non Pay Costs</b>									
Clinical Supplies	746	743	3	5,902	5,964	(61)	8,858	8,916	(58)
Non-Clinical Supplies	591	558	33	4,735	5,130	(395)	7,203	7,701	(498)
CNST	1,192	1,192	0	9,538	9,538	0	14,307	14,308	(1)
Premises & IT Costs	415	410	5	3,322	3,311	11	4,983	4,967	16
Service Contracts	466	467	(1)	3,729	3,698	31	5,594	5,492	102
<b>Total Non-Pay Costs</b>	<b>3,411</b>	<b>3,371</b>	<b>40</b>	<b>27,227</b>	<b>27,640</b>	<b>(414)</b>	<b>40,945</b>	<b>41,384</b>	<b>(439)</b>
<b>Total Expenditure</b>	<b>9,024</b>	<b>8,969</b>	<b>55</b>	<b>72,127</b>	<b>71,945</b>	<b>182</b>	<b>108,297</b>	<b>108,014</b>	<b>283</b>

LIVERPOOL WOMEN'S NHS FOUNDATION TRUST  
BUDGET ANALYSIS: M8  
YEAR ENDED 31 MARCH 2017

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INCOME & EXPENDITURE £'000	MONTH			YEAR TO DATE			YEAR		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	FOT	Variance
<b>Maternity</b>									
Income	(3,381)	(3,304)	(77)	(27,131)	(27,702)	571	(40,771)	(41,549)	778
Expenditure	1,698	1,751	(53)	13,585	13,826	(241)	20,378	20,822	(444)
<b>Total Maternity</b>	<b>(1,683)</b>	<b>(1,553)</b>	<b>(131)</b>	<b>(13,547)</b>	<b>(13,876)</b>	<b>329</b>	<b>(20,393)</b>	<b>(20,727)</b>	<b>334</b>
<b>Gynaecology</b>									
Income	(1,973)	(2,247)	274	(16,138)	(16,774)	637	(23,965)	(24,648)	683
Expenditure	879	948	(68)	7,035	7,431	(396)	10,554	11,120	(567)
<b>Total Gynaecology</b>	<b>(1,094)</b>	<b>(1,300)</b>	<b>206</b>	<b>(9,103)</b>	<b>(9,343)</b>	<b>240</b>	<b>(13,411)</b>	<b>(13,528)</b>	<b>116</b>
<b>Theatres</b>									
Income	(42)	(39)	(3)	(336)	(332)	(4)	(504)	(499)	(5)
Expenditure	608	642	(34)	4,865	5,175	(311)	7,298	7,702	(404)
<b>Total Theatres</b>	<b>566</b>	<b>603</b>	<b>(37)</b>	<b>4,529</b>	<b>4,843</b>	<b>(314)</b>	<b>6,794</b>	<b>7,203</b>	<b>(410)</b>
<b>Neonatal</b>									
Income	(1,409)	(1,440)	30	(11,272)	(10,996)	(276)	(16,908)	(16,538)	(369)
Expenditure	997	996	1	7,977	7,784	194	11,967	11,592	375
<b>Total Neonatal</b>	<b>(412)</b>	<b>(444)</b>	<b>31</b>	<b>(3,295)</b>	<b>(3,212)</b>	<b>(83)</b>	<b>(4,941)</b>	<b>(4,946)</b>	<b>5</b>
<b>Hewitt Centre</b>									
Income	(915)	(547)	(369)	(7,939)	(6,628)	(1,311)	(11,874)	(10,005)	(1,869)
Expenditure	742	722	20	5,868	5,463	405	8,805	8,181	625
<b>Total Hewitt Centre</b>	<b>(173)</b>	<b>176</b>	<b>(349)</b>	<b>(2,072)</b>	<b>(1,165)</b>	<b>(907)</b>	<b>(3,069)</b>	<b>(1,824)</b>	<b>(1,245)</b>
<b>Genetics</b>									
Income	(595)	(594)	(1)	(4,762)	(4,556)	(206)	(7,143)	(6,783)	(360)
Expenditure	446	413	34	3,572	3,404	167	5,358	5,102	256
<b>Total Genetics</b>	<b>(149)</b>	<b>(181)</b>	<b>32</b>	<b>(1,190)</b>	<b>(1,151)</b>	<b>(39)</b>	<b>(1,785)</b>	<b>(1,681)</b>	<b>(104)</b>
<b>Catharine Medical Centre</b>									
Income	(101)	5	(106)	(645)	(129)	(516)	(817)	(129)	(688)
Expenditure	80	5	75	472	201	271	557	206	350
<b>Total Catharine Medical Centre</b>	<b>(22)</b>	<b>10</b>	<b>(32)</b>	<b>(174)</b>	<b>71</b>	<b>(245)</b>	<b>(260)</b>	<b>77</b>	<b>(337)</b>
<b>Clinical Support &amp; CNST</b>									
Income	(24)	(22)	(2)	(196)	(212)	16	(291)	(303)	12
Expenditure	733	706	27	5,862	5,767	95	8,793	8,629	164
<b>Total Clinical Support &amp; CNST</b>	<b>709</b>	<b>684</b>	<b>25</b>	<b>5,666</b>	<b>5,555</b>	<b>111</b>	<b>8,502</b>	<b>8,325</b>	<b>177</b>
<b>Corporate</b>									
Income	(755)	(576)	(179)	(3,963)	(4,316)	353	(6,165)	(6,575)	410
Expenditure	3,709	3,271	438	27,606	27,026	580	41,728	40,675	1,053
<b>Total Corporate</b>	<b>2,954</b>	<b>2,696</b>	<b>259</b>	<b>23,643</b>	<b>22,710</b>	<b>933</b>	<b>35,563</b>	<b>34,100</b>	<b>1,463</b>
<b>(Surplus) / Deficit</b>	<b>696</b>	<b>690</b>	<b>6</b>	<b>4,459</b>	<b>4,432</b>	<b>27</b>	<b>7,000</b>	<b>7,000</b>	<b>0</b>

**LIVERPOOL WOMEN'S NHS FOUNDATION TRUST**

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**BALANCE SHEET: M8**

**YEAR ENDED 31 MARCH 2017**

BALANCE SHEET £'000	YEAR TO DATE		
	Opening	M08 Actual	Movement
<b>Non Current Assets</b>	<b>70,529</b>	<b>69,151</b>	<b>(1,378)</b>
<b>Current Assets</b>			
Cash	3,225	3,706	481
Debtors	4,302	7,182	2,880
Inventories	326	330	4
<b>Total Current Assets</b>	<b>7,853</b>	<b>11,218</b>	<b>3,365</b>
<b>Liabilities</b>			
Creditors due < 1 year	(8,056)	(13,035)	(4,979)
Creditors due > 1 year	(1,748)	(1,759)	(11)
Commercial loan	(10,794)	(12,489)	(1,695)
Provisions	(2,392)	(2,127)	265
<b>Total Liabilities</b>	<b>(22,990)</b>	<b>(29,410)</b>	<b>(6,420)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>55,392</b>	<b>50,959</b>	<b>(4,433)</b>
<b>Taxpayers Equity</b>			
PDC	36,610	36,610	0
Revaluation Reserve	10,019	10,019	0
Retained Earnings	8,763	4,330	(4,433)
<b>TOTAL TAXPAYERS EQUITY</b>	<b>55,392</b>	<b>50,959</b>	<b>(4,433)</b>

## Appendix 2 : Single Oversight Framework - Use of Resources Rating

USE OF RESOURCES RISK RATING	YEAR TO DATE		YEAR	
	Budget	Actual	Budget	FOT
<b>CAPITAL SERVICING CAPACITY (CSC)</b>				
(a) EBITDA + Interest Receivable	(59)	(290)	(400)	(973)
(b) PDC + Interest Payable + Loans Repaid	1,706	1,560	2,712	2,401
<b>CSC Ratio = (a) / (b)</b>	<b>(0.03)</b>	<b>(0.19)</b>	<b>(0.15)</b>	<b>(0.41)</b>
<b>NHSI CSC SCORE</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Ratio Score 1 = &gt; 2.5 2 = 1.75 - 2.5 3 = 1.25 - 1.75 4 = &lt; 1.25</b>				
<b>LIQUIDITY</b>				
(a) Cash for Liquidity Purposes	(4,398)	(4,439)	(8,924)	(8,924)
(b) Expenditure	72,127	71,945	108,297	108,014
(c) Daily Expenditure	301	300	301	300
<b>Liquidity Ratio = (a) / (c)</b>	<b>(14.6)</b>	<b>(14.8)</b>	<b>(29.7)</b>	<b>(29.7)</b>
<b>NHSI LIQUIDITY SCORE</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Ratio Score 1 = &gt; 0 2 = (7) - 0 3 = (14) - (7) 4 = &lt; (14)</b>				
<b>I&amp;E MARGIN</b>				
Deficit (Adjusted for donations and asset disposals)	4,457	4,430	6,992	6,992
Total Income	(71,728)	(71,963)	(107,387)	(107,349)
<b>I&amp;E Margin</b>	<b>-6.21%</b>	<b>-6.16%</b>	<b>-6.51%</b>	<b>-6.51%</b>
<b>NHSI I&amp;E MARGIN SCORE</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Ratio Score 1 = &gt; 1% 2 = 1 - 0% 3 = 0 - (-1%) 4 = &lt; (-1%)</b>				
<b>I&amp;E MARGIN VARIANCE FROM PLAN</b>				
I&E Margin (Actual)		-6.16%		-6.51%
I&E Margin (Plan)		-6.21%		-6.51%
<b>I&amp;E Variance Margin</b>	<b>0.00%</b>	<b>0.06%</b>	<b>0.00%</b>	<b>-0.002%</b>
<b>NHSI I&amp;E MARGIN VARIANCE SCORE</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>Ratio Score 1 = &gt; 0% 2 = (1) - 0% 3 = (2) - (1)% 4 = &lt; (2)%</b>				
Note: NHSI assume the score of the I&E Margin variance from Plan is a 1 for the whole year and year to date budget. This is because NHSI recognise the fact that an organisation would not "plan" to have a variance from plan and have not applied a calculated ratio to the budgeted columns of this metric.				
<b>AGENCY SPEND</b>				
YTD Providers Cap	1,283	1,283	1,924	1,924
YTD Agency Expenditure	472	759	708	1,114
	<b>-63.20%</b>	<b>-40.83%</b>	<b>-63.20%</b>	<b>-42.10%</b>
<b>NHSI AGENCY SPEND SCORE</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Ratio Score 1 = &lt; 0% 2 = 0% - 25% 3 = 25% - 50% 4 = &gt; 50%</b>				
<b>Overall Use of Resources Risk Rating</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

Note: scoring a 4 on any of the metrics will lead to a financial override score of 3.