

LIVERPOOL WOMEN'S NHS FOUNDATION TRUST
ANNUAL REPORT & ACCOUNTS 2018 /19



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1. Foreword from the Chair & Chief Executive

Welcome to Liverpool Women's NHS Foundation Trust's annual report and accounts for the financial year 1st April 2018 to 31st March 2019.

Below we share with you some of the highlights of our work during the year and set out details of our performance, which can be found in the following reports.

2018/19 has continued to be a challenging year for Liverpool Women's but as always our people have remained firmly focused on providing safe and excellent healthcare, delivered in a friendly and caring environment.

Key highlights have been

- Last year we reported on the Care Quality Commission inspection of the trust in February 2018 and that the trust received an overall 'Good' rating for the overall inspection. We would also like to thank all staff in Maternity where the trust received an 'outstanding' rating for the service. The trust has been actively addressing areas for improvement over the year. Further details of the inspection and the findings from the CQC report can be found within sections of the annual report and quality report.
- Work has started on the redevelopment of the neonatal unit which will see the unit providing much needed additional cots and space to keep our most vulnerable patients safe. The new neonatal unit is planned to be commissioned and ready for use in spring 2020.
- The trust took part in series four of BBC Two's 'Hospital' series which received approximately two million viewers each episode; of which the trust featured in two of six. One of the episodes that featured the trust led to an increase in the number of people signing up to the organ donor register – with an increase of 1,400 donors on one day alone (a 2000% increase compared to a normal day).
- The trust commenced a 'Fair and Just Culture' programme to improve the way it learns from mistakes and how it holds people to account.
- The trust supported a national cervical cancer screening campaign to encourage women to take up screening appointments.
- The 'Babysaver' developed by Professor Andrew Weeks (Consultant Obstetrician at the trust) was launched to save babies lives in Uganda. This is a lower cost alternative to the Lifestart Trolley at Liverpool Women's which enables bedside resuscitation of babies following birth.
- The WOMAN clinical trial was awarded the 'Taking research into practice' award at the CRN North West Coast Awards 2019 – a clinical trial aiming to reduce maternal deaths and improve postnatal outcomes.
- The Hewitt Fertility Centre held a celebration event with over 500 past patients to celebrate 40 years of IVF

Financial position and performance: Last year continued to be challenging for the NHS with all trusts expected to provide the highest standards of care while achieving demanding efficiency savings. Against this backdrop we continued to provide safe, high quality care to our patients delivering against most of the national targets set by the regulator. The exception to this was the trusts

performance in relation to referral to treatment and some cancer targets. The trust is doing all it can to improve these targets in 2019/20. Alongside this, in a climate where many providers have struggled to achieve their financial plan, we were able not only to deliver our financial plan but better it.

For the financial year, we delivered a surplus of £2.2m against the original plan of £1.6m deficit. This final position was after the trust was in receipt of £6.8m from the Provider Sustainability Fund from the regulator, which was £3.2m more than originally planned. This surplus has been delivered through the hard work and dedication of our staff over the year; 2019/20 will be another challenging year financially with the trust having to deliver a break-even control total, agreed with the regulator.

Review of Health Services for Women and Babies: We reported last year on progress of the review of women and neonatal services and that the trust was awaiting a decision from NHS England to allow Liverpool CCG to go to public consultation. Although the preferred option of re-locating our services to a new site next to the new Royal Liverpool Hospital was supported by the Northern England Clinical Senate, NHS England required additional assurance with regard to the availability of capital to finance the new build. As a consequence, the trust is still waiting for a decision from NHS England to allow Liverpool CCG to go out to public consultation. The trust has not been idle in its endeavours and throughout 2018/19 the trust has continued to seek to gain capital approval from the regulators to address the significant clinical issues it faces. This has been against a backdrop of limited capital availability nationally across the NHS. Despite submitting a bid which was ranked favourably by the Cheshire and Mersey Health and Care Partnership (first out of the of the three large schemes and third overall) the trust's bid was rejected. Despite this the board are determined to pursue all available avenues to ensure that capital is secured and will continue to vigorously pursue a solution to the issues of working from our current isolated site and consider with its staff and partners how best to continue to deliver safe services in the meantime.

We would like to end our introduction with a series of thanks.

Firstly, thanks go to every single person who chooses to have care at Liverpool Women's and for giving the trust's staff the privilege of caring for them and sharing with them in their significant life moments. Being excellent at all we do is the focus of the trust each and every single day and it will always be so. Thanks also go to the trust's staff, Governors, members, volunteers and fundraisers who together make Liverpool Women's the great place it is.



Robert Clarke
Chair
24 May 2019



Kathryn Thomson
Chief Executive
24 May 2019

2. Performance Report

2i. Overview of performance

Liverpool Women's NHS Foundation Trust is a specialist trust providing maternity, gynaecology and genetics services in Liverpool and the North Mersey conurbation. It is also the recognised specialist provider in Cheshire and Merseyside of high risk maternity care including fetal medicine, the highest level of neonatal care, complex surgery for gynaecological cancer, reproductive medicine and laboratory and medical genetics.

The trust:

- Is the largest hospital in Europe to exclusively care for the health needs of women.
- In 2018/19 the trust:
 - Delivered 8,379 babies (2017/18 8,497) – an average of 23 babies born at Liverpool Women's every day (2017/18, 23);
 - Undertook gynaecological inpatient procedures on 4,876 women (2017/18, 5,469) and 30,611 gynaecological outpatient procedures (2017/18, 30,695)
 - Cared for 1,013 babies in our neonatal intensive and high dependency care units (2017/18, 1,004); and
 - Performed 1,294 cycles of in vitro fertilisation (IVF) (2017/18, 1,381).

Our vision, aims and values are:

Our Vision
We will be the recognised leader in healthcare for women, babies and their families
Our Aims – WE SEE
<ul style="list-style-type: none">• To develop a well led, capable and motivated Workforce• To be Efficient and make sure the best use of available resources<ul style="list-style-type: none">• To deliver Safe services• To deliver the most Effective outcomes for patients• To deliver the best possible Experience for patients and staff<ul style="list-style-type: none">• To deliver the Future Generations Strategy
Our Values – We CARE and We LEARN
<ul style="list-style-type: none">• Caring – We show we care about people• Ambition – We want the best for people• Respect – We value the differences and talents of people• Engaging – We involve people in how we do things• Learn – We learn from people past, present and future

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

Strategy and business model

The trust's strategy is to remain at the forefront of providing high quality clinical care to women, babies and families within a service model that achieves clinical excellence and is financially sustainable. The trust's business model is that of an NHS Foundation Trust. NHS Foundation Trusts are legal entities in the form of public benefit corporations and operate under a licence which is issued by NHS Improvement, the sector regulator for health services in England. The model has a framework of local accountability through a unitary Board of Directors, members and a Council of Governors, which replaced central control from the Secretary of State for Health.

The strategy for the future

The trust has a fabulous record of specialist women's services in the City and they have constantly evolved to meet the changing needs of women and babies. However, since the Crown Street site was designed over 20 years ago a lot has changed.

The health needs of the women and babies cared for has changed, for example the number of women over the age of 40 having babies at the hospital has doubled in the last 10 years and women with complex health problems are now also able to have babies.

In this day and age Doctors look to specialise earlier in their careers and are trained to access the support of their colleagues in other specialties when necessary; ensuring access to the latest equipment and techniques. Whilst this brings great patient benefit and improvement in outcomes, it is undoubtedly a challenge for stand-alone specialist organisations such as the trust to provide this level of wraparound support.

Gynaecological cancers are increasing and more complex surgery is taking place, and babies that wouldn't have survived 20 years ago are now being cared for in our neonatal unit which requires more space to meet national standards.

As a result, following a review of services in 2014 the trust embarked on its Future Generations strategy with the support of doctors, nurses, midwives and other health specialists to help shape the future of our services for women and babies.

Our ***Future Generations strategy*** consisted of the trust:

- ❖ Identifying the clinical standards the trust wants to achieve in each of our services, now and in the future;
- ❖ Being clear about which services need to be provided together in order to manage clinical risks effectively;
- ❖ Exploring how the trust's services can be remodelled in order to provide care closer to patients' own homes;

- ❖ Thinking about which of the services need to grow and develop;
- ❖ Defining how the trust operationally organises its services – what happens where, when and for whom;
- ❖ Reviewing the options for operational changes in each service, including estates and Information Management and Technology;
- ❖ Listening and engaging with the public, patients, members, partners and staff to make the right choices for the trust's clinical services;
- ❖ Setting out clearly the clinical case for change from which to develop a business case.

Throughout 2015/16, the trust continued the development of the 'Future Generations' strategic plan which aimed to address the achievement of long term clinical and financial sustainability.

In December 2015, the resulting business case received formal approval from the board of directors and was submitted to NHS Improvement and Liverpool CCG in January 2016 for review. Liverpool CCG accepted the case for change and commissioned its own review into Women's and Neonatal services.

The review was supported by an external consultancy and a range of local and national clinicians, other NHS service providers and commissioners. The overall governance was the responsibility of Liverpool CCG and was undertaken through a Project Oversight Group. The Project Oversight Group was supported by a Clinical Reference Group. The review followed a standard option appraisal methodology.

NHS Liverpool CCG review of women and neonatal services

In November 2016, Liverpool CCG concluded its draft Pre-consultation Business Case (PCBC) and published it in January 2017. The draft PCBC presents four short listed options including;

- ❖ Enhancing the Crown Street site to meet the clinical case for change
- ❖ Minimum enhancements to the Crown Street site, which did not meet the clinical case for change
- ❖ Relocating services to Alder Hey Children's NHS FT in a new build and
- ❖ Relocating services to Royal Liverpool and Broadgreen University Hospitals NHS Trust in a new build

Of the four short listed options the draft PCBC contains evidence which clearly demonstrates that one option, the preferred option of relocating to a new build co-located with the Royal and Broadgreen University Hospitals NHS Trust on the Central University Campus, scored highest in all domains under consideration within the options appraisal framework, those being quality, feasibility, financial sustainability and strategic fit.

In September 2017 the trust produced a Strategic Outline Case to demonstrate the availability and affordability of capital in relation to the options. At the same time the Northern England Clinical Senate issued a report on its findings in relation to the clinical sustainability of services at the trust. The Clinical Senate concluded that 'the current isolated position of both Women's and Neonatal services at LWH means both services have very significant clinical risks'. The independent Clinical Senate also recognised that the current configuration of services at the trust and workarounds in place are unsustainable and that a change in the clinical model 'is needed to ensure safety, quality and clinical sustainability'.

In its conclusions the Clinical Senate stated that there is a strong clinical argument for change, emphasising the risks with delivering care for women and newborns on a stand-alone site away from

other related services, as is currently the case at Liverpool Women's. Among the range of issues it highlights are the problems that the trust faces recruiting anaesthetics specialists, due to its isolated position; the fact that Liverpool Women's does not have CT or MRI scanning facilities, a blood bank or an adult intensive care unit.

Throughout 2018/19 the trust has continued to seek to gain capital approval from the regulators to address the issues it faces. This has been against a backdrop of limited capital availability nationally across the NHS. Despite submitting a bid which was ranked favourably by the Cheshire and Mersey Health and Care Partnership (first out of the of the three large schemes and third overall) the trust's bid was rejected. Despite this the trust will continue to pursue all available avenues to ensure that capital is secured to make the services currently provided by Liverpool Women's sustainable for Future Generations of women, babies and their families.

Keeping our services fit for the future

Regardless of the outcome of any decisions on the future of women's and neonatal services, the trust will be located at its current site for a number of years to come. Therefore in the short term investment and refurbishment of the current site is required to maintain quality and safety for the trust's patients while decisions about the long term location of services are taken.

Last year the trust reported that during 2017/18 it completed two main projects: the Gynaecology Unit Refurbishment; and the Outpatients Facilities Improvement Programme. Both improvements have seen positive patient benefits to the provision of our services.

Neonatal and other services: the trust's neonatal services also require additional investment to ensure that its most vulnerable babies are being cared for in the best environment possible. In 2016 the trust took the difficult decision to reduce the number of cots it had available in order to reduce the risk of infection to babies. During 2018 the trust was awarded £15m in the form of a capital loan to address the immediate clinical risks on the neonatal unit. Work has started on the redevelopment of the unit which will see the unit providing much needed additional cots to keep the trust's most vulnerable patients safe. The new neonatal unit is planned to be completed in the summer 2020. Whilst this is a welcome step, it does not negate the overall clinical requirement to co-locate with the adult acute provider; the trust is pleased that the investment will improve services for neonatal babies and their families.

Other clinical risks: To further mitigate the clinical risks identified in the clinical case for change the trust continued to invest in the provision of senior clinical consultant cover across its services and will continue into 2019/20.

Despite the challenges the trust has faced over recent years and will continue to face for the foreseeable future, the main driver for all its decision making is the provision of quality patient care. The trust will not compromise on the excellent quality of care it provides, which is why it is working to ensure its services are both fit and safe for the immediate and long-term future. Patient safety is always the trust's number one priority.

Achievements against the trust's *WE SEE* strategic aims

- W** We will develop a well led, capable, motivated and entrepreneurial *Workforce*
- ❖ The trust achieved 'better' in the National Inpatient Survey
 - ❖ The trust was rated as 'Good' following a CQC inspection
 - ❖ The Honeysuckle Bereavement Team were awarded the Knowsley Chamber of Commerce 'Women's Group' Award at the 2018 Merseyside Women of the Year awards.
 - ❖ The trust began a Fair and Just Culture programme to improve the way it learns from mistakes and how it holds people to account.
 - ❖ The trust staff Choir was formed as part of Health & Wellbeing
 - ❖ Annmaria Ellard was listed in Merseyside's 30 most influential and inspirational women
 - ❖ A Pre-employment programme ran for 10 weeks, supporting 13 individuals to gain skills, experience and confidence to secure employment.

- E** We will be ambitious and *Efficient* and make best use of available resources
- ❖ The trust has delivered the financial control total set for us by the regulator.
 - ❖ The trust has remained as one of the highest performing trusts in the region for use of agency staff against capped financial limits.
 - ❖ The trust has worked with commissioners and other local providers to develop plans to deliver long term clinical and financial benefits.
 - ❖ The trust has continued to work with local partners (Royal Liverpool Hospitals and Aintree University Hospital) to implement an electronic patient record that will provide significant benefits to patients and clinicians

- S** We will deliver *Safe* services
- ❖ The trust has invested £15m to redevelop our Neonatal Unit to provide a safer and better environment for babies, families, and staff.
 - ❖ The trust has continued the rollout of yellow bands for patients to identify when an item is intentionally retained to be removed post operatively.
 - ❖ The trust has one of the largest advanced neonatal nurse practitioner (ANNP) groups in the country.
 - ❖ The trust has worked in partnership with the North West Neonatal Operational Delivery Network to deliver bespoke training to all new neonatal nurses to ensure the same level of training across the Operational Delivery Network.
 - ❖ The trust has zero Clostridium difficile and MRSA occurrences in year.
 - ❖ The trust supported a national cervical cancer screening campaign to encourage women to take up screening appointments.
 - ❖ The trust's involvement in the BBC Hospital series led to an increase in the number of people signing up to the organ donor register – with an increase of 1,400 donors on one day alone (a 2000% increase compared to a normal day)
 - ❖ The trust launched a Right Details, Right Treatment campaign to raise awareness of the need for staff to ask patients to confirm personal information before being treated, leading to a positive impact on the number of ID related incidents.
 - ❖ Liverpool Women's joined up with a family to improve the experience of bereaved parents following the loss of a baby - Jax's Imprint

- E** We will participate in high quality research in order to deliver the most *Effective* outcomes
- ❖ The trust has two Consultant Neonatologists who lead on and are participating in both local and national research, looking at nutrition in relation to preterm growth, and the a safe use of drugs and their formulations in the preterm, respectively.
 - ❖ The trust has a nurse consultant and research nurse working with the North West Collaboration for Leadership in Applied Health Research and Care looking at the benefits of infants receiving phototherapy at home.
 - ❖ The Babysaver, developed by Professor Andrew Weeks, was launched to save babies lives in Uganda and is a lower cost alternative to the Lifestart Trolley at Liverpool Women's which enables bedside resuscitation of babies following birth.

- ❖ The WOMAN trial was awarded the 'Taking research into practice' award at the CRN North West Coast Awards 2019 – a clinical trial aiming to reduce maternal deaths and improve postnatal outcomes.
- ❖ The trust is leading a programme of research looking to reduce perineal trauma through the use of the Oasi care bundle.
- ❖ The trust is participating in a study to determine the best dose of aspirin for Hereditary Non-Polyposis Colon Cancer prevention for people with Lynch syndrome.
- ❖ The trust is actively participating in research studies looking at whether endometrial scratch improves the chances of women having first time IVF/ICSI achieving a pregnancy; and whether it helps women with subfertility issues related to polycystic ovarian syndrome who are on ovulation induction medication and who are trying to conceive.

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

E

- ❖ The trust has implemented a real-time patient feedback to the neonatal intensive care unit to help improve future patients' experience
- ❖ The trust has introduced a text based system for gathering patient feedback to support the Friends & Family Test
- ❖ Patient information leaflets have been reformed digitally and uploaded to the trust website and are now accessible in different languages, contrasts, and formats – as well as printable options on request - to improve accessibility patients and families.
- ❖ The Hewitt Fertility Centre held a celebration event with over 500 past patients to celebrate 40 years of IVF

Key issues and risks that could affect the foundation trust in delivering its objectives

The trust continues to face risks to achieving its strategic objectives and has established and maintained a comprehensive Board Assurance Framework and supporting Corporate Risk Register to identify, understand and manage risk.

The Board Assurance Framework and Corporate Risk Register are subject to regular review and appraisal to ensure risks are managed proactively. Systems and controls have been established to manage the risks, which are monitored by the Board on a regular basis.

In accordance with the Risk Management Strategy the trust keeps under constant review all potential significant risk exposures in the future and makes an annual Risk Appetite Statement.

The principal risks and uncertainties facing the trust that are included on the trust's board assurance framework include:

Workforce:

- ❖ Inability to maintain a fully resourced, competent and capable clinical workforce
- ❖ Inability to deliver a well-led, engaged, motivated and effective workforce

Safe:

- ❖ Inability to achieve long-term clinical sustainability due to the location, size, layout and accessibility of current services which does not provide for sustainable integrated care or quality service provision. Associated risks include: Deteriorating not fit for purpose estate; no on-site ITU or blood bank; changing clinical standards; changing demographics and co-morbidities, lack of co-located paediatric support; and no on-site access to other significant medical teams; such as physician on call, urology, colorectal or intensivists.
- ❖ Inability to achieve and maintain regulatory compliance, performance and assurance.
- ❖ Ineffective understanding and learning following significant and never events.
- ❖ Failure to deliver a fully integrated Electronic Patient Record system against agreed board plan and consequential impact on patients and finance.

Effective:

- ❖ Unable to be financially sustainable beyond the current financial year.
- ❖ Unable to deliver the annual financial plan.
- ❖ Inability to deliver the best clinical outcomes for patients.

Experience

- ❖ Inability to deliver a positive experience for women; patients; and families engaging using the trust's services.

Going concern disclosure

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

In 2018/19 the trust achieved a surplus of £2.2m after earning of £6.8m from the Provider Sustainability Fund (PSF) and has submitted a breakeven plan for 2019/20.

In 2018/19 the trust did not require any additional revenue support loans to support the cash position, and instead was able to repay £5.6m of revenue loans in August 2018, after receipt of the 2017/18 Sustainability and Transformation (STF) fund, and through effective management of the working capital position. The remainder of distress finance is planned to be repaid in 2019/20 following expected receipt of PSF cash payments.

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

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

2ii Performance analysis

Performance against key targets

Last year was a particularly challenging one for the NHS; all trusts were expected to provide the highest standards of care while achieving demanding efficiency savings. The trust continued to provide safe, high quality care to our patients and delivered against most of the national targets except for several cancer targets and never events. Alongside this, in a climate where many providers have struggled to achieve their financial plan, the trust has continued to deliver its financial performance.

Details of the national targets that are required to achieve are set out below, together with our actual performance:

Indicator Name	Target	Performance 2018/19	
A&E Clinical Quality - Total Time in A&E under 4 hours (accumulated figure)	95%	97.90%	Achieved
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral) - post local breach re-allocation (accumulated figure)	90%	90.00%	Achieved
Cancer 31 day wait for second or subsequent treatment – surgery (accumulated figure)	94%	96.90%	Achieved
Cancer 31 day wait from diagnosis to first treatment (accumulated figure)	96%	83.60%	Not Achieved
Cancer 2 week (all cancers) (accumulated figure)	93%	95.10%	Achieved
Clostridium difficile due to lapses in care (accumulated figure)	0	0	Achieved
Never Events	0	2	Not Achieved
Incidence of MRSA bacterium	0	0	Achieved
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	86.88%	Not Achieved
Cancer 62 Day Waits for first treatment (from urgent GP referral) - post local breach re-allocation (accumulated figure)	85%	45.99%	Not Achieved
Maximum 6-week wait for diagnostic procedures	99%	97.91%	Not Achieved

The Board also reviews performance against other local Key Performance Indicators the details of which are set out below, together with our actual performance.

Indicator Name	Target	Performance 2017/18	
Safer Staffing Levels	>90%	92.16%	Achieved
Friends and family Test	>75%	96.35%	Achieved
Complaints received per month (average)	<15	7	Achieved
Sickness & Absence rates (cumulative year-end)	<4.5%	4.60%	Not Achieved

How the trust checks performance against the targets can be found in section 3vii Annual Governance Statement. In respect of the targets the trust did not achieve:

In last year's annual report (2017/18) the trust reported two serious incidents relating to breaches of the national access targets. During 2018/19 the trust focused on implementing measures and recommendations for improvement based upon the lessons learnt. The trust has worked closely with NHS Improvement in undertaking a comprehensive review of systems and processes that included robust monitoring and reporting strategies embedded into business as usual. Priority for the trust has been on assuring the longest waiting patients are cared for appropriately. The trust has been successful in reducing the number of 52 week waiting patients throughout the year from 25 patients in July 2018 to 1 patient by the March 2019 (patient choice). Reviews of demand and capacity for services have also taken place to identify key areas for additional investment in resource to ensure the trust can continue to work towards reducing patient 18 week waiting times accordingly and build sustainability for future service provision. Work with local Clinical Commissioning Group's and the Cancer Alliance has progressed well to enable a pan-regional approach to be taken to address the challenge of improving the Cancer 62 day targets. This work has identified areas for further collaboration and has ensured a renewed focus on potential streamlined models of care, including areas such as access to diagnostics.

A 'Never Event' is an event which has been identified by NHS Improvement that should never occur during a patient's care. The first never event reported in 2018/19 occurred in September 2018 and involved the discharge to home of a patient with a retained vaginal swab post-surgery. The second reported never event occurred in November 2018, this arose due to the insertion of a contraceptive coil, which did not match the item consented by the patient. Both events are explained further in section 4 Quality Report with an explanation of actions taken.

The cumulative year end figure for sickness absenteeism has increased slightly from 4.6% in 2017/18 to 4.7% in 2018/19. Sickness continues to be proactively managed and line managers receive ongoing support and training from the HR team. Peaks of sickness in departments are correlated against other indicators such as staffing levels, complaints and incidents to identify any areas requiring further intervention.

The position of the trust at 31 March 2019

The trust ended the year with a surplus of £2.2m after a receipt of £6.8m from the Provider Sustainability Fund, representing an improvement on the prior year as shown in the table below.

	2018/19 £000's	2017/18 £000's
Income	119,059	115,652
Operating expenses	(115,182)	(115,262)
Financing and Public Dividend Capital	(1,717)	(1,720)
Retained Surplus/(Deficit)	2,160	(1,330)

The financial performance of the trust in 2018/19 would have delivered a deficit of £4.6m had the trust not been in receipt of a payment of £6.8m from the Provider Sustainability Fund; in the 2017/18 financial year the trust received £5.5m of income from the Sustainability and Transformation Fund. The trust delivered an overall Use of Resources (UoR) rating of 3 in line with 2017/18. The UoR rating

measures a provider's financial sustainability, financial efficiency and financial controls. The breakdown of the trust's UoR ratings is provided in section 3v Single Oversight Framework.

Full details of the trust's financial performance in 2018/19 can be found in the annual accounts within this report.

Business overview

In 2018/19 the trust had in place two main contracts which represented the majority of income received for the services provided. These were with Liverpool Clinical Commissioning Group and Associates and NHS England (Specialised Commissioning) from whom the trust received £71,764k and £20,467k respectively. These contracts represented 77% of the trust's total income and 88% of the trust's clinical income. The majority of this income was in relation to maternity, gynaecology and neonatal services for the population of Liverpool and beyond. In common with most of NHS organisations the trust continued to face significant financial challenges. The trust has delivered significant levels of cost savings in recent years and the need to deliver efficiency savings remains. Plans are in place to deliver cost improvement savings in 2019/20 at a similar level as in 2018/19, but with a higher proportion of recurrent savings. The trust has a strong record of delivering these efficiencies whilst continuing to develop the standard of clinical care, however ongoing delivery of further efficiencies is becoming increasingly difficult. As part of the on-going 'Future Generations' review the trust continues to look at options which can deliver the required standard of services in the most cost effective way.

Capital

The trust continues to invest in estate, medical equipment and information technology for the benefit of our patients. Details of capital expenditure for 2018/19 are given in the table below:

Capital expenditure	2018/19 £000s	2017/18 £000's
Buildings	4,423	2,195
Information Technology	3,345	1,813
Medical Equipment	1,475	1,181
Total	9,243	5,189

A significant proportion of the expenditure on building related to work on the redevelopment of the neonatal unit (£2.6m). The investment in IT related to the trust's Fast Follower status in the Global Digital Exemplar programme.

Cash and borrowing

The trust ended the year with a cash balance of £9.1m and was able to repay £5.6m of prior year distress finance in year. The planned additional finance was not required or drawn down. Additional borrowing in year related solely to the redevelopment of the neonatal unit.

Financial risk management

The key financial risk to the trust is maintaining financial sustainability and this is articulated in the Board Assurance Framework which also identifies mitigating actions. The Board Assurance Framework is reviewed regularly by the Board of Directors and its relevant Board assurance committees.

Environmental matters/climate change

As in previous years our energy partnership with Aintree and The Walton Centre has continued to improve with a decrease in energy consumption resulting from improvements in infrastructure. The CHP unit is undergoing final trials which we anticipate will result in reduced electrical costs consumption; however, these gains will be offset by an increase in gas consumption.

Utilities	Annual usage			Annual cost (£)		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
Gas (Kwh)	5,097,365	5,370,991	4,305,434	£111,811	£146,854	£147,476
Electricity (Kwh)	5,832,099	5,974,616	5,051,380	£637,521	£742,905	£788,205
TOTAL	10,929,464	11,345,607	9,356,814	£749,332	£889,759	£935,681
Water (m3)	33,571	32,562	33,665	£57,141	£56,364	£61,221
Clinical waste (Tonnes)	94	34.09	37.58	£52,585	£18,625	£20,782
Infectious waste (Tonnes)	25	40.55	39.21	£7,806	£13,089	£12,658
Offensive waste (Tonnes)	76	109.08	102.46	£17,615	£24,217	£22,745
Domestic waste (tonnes)	569	545	485	£49,182	£49,519	£56,534

An energy broker procurement exercise was carried out which resulted in a three-year contract being instigated and utilised by three trusts across Merseyside and it is expected this will result in more members joining this scheme.

New Clinical Waste contract has been signed and the trust is now part of the Merseyside clinical waste framework which is seeking to drive down costs and ensuring improvements in how waste is handled and ultimately disposed. The trust continues to utilise reusable Sharps container systems resulting in reduced plastic being produced.

The trust efforts to recycle continues and is focusing on reducing reliance on single use plastic and the trust's on-site facilities contractor, OCS is also supporting the initiative. An example of this the removal of plastic cutlery from the trust's restaurants and cafés and replacing with disposable sustainable wooden cutlery. The trust has been able to reduce its waste to landfill sites to zero.

The trust recently won an award this year for Liverpool City region 'Arrive Happy Award' for sustained efforts to reduce travel and continued to see bicycle usage increase as staff become aware of alternative methods of travel.

Partnerships, social, community and human rights issues

The trust's commitment to playing a positive role as a part of the communities we offer services to, and from which much of our workforce is drawn, continues. The Council of Governors plays an important

part in linking the trust with its members and the public and is able to act as a conduit for information and views.

This year we also worked with:

- ❖ **Patients** – whose feedback about the care we offer drives our relentless efforts to excel. This feedback was provided through a variety of channels, one of the many channels was via the Care Opinion portal (www.careopinion.org.uk/) that allows for honest and meaningful conversations between patients and health services. The trust also participates in all National Patient Surveys and much of the feedback is included in regular reports to our Board of Directors' Quality Committee and Council of Governors, detailing complaints, compliments, concerns and Friends and Family feedback. The Board of Directors continues to hear a patient story at the beginning of each of its meetings, sometimes told by the patient themselves in person or through a video or audio recording, or by a clinical member of staff on their behalf and with their consent. The trust remains committed to learning from, and responding to, all feedback it receives from patients.

The Patient Experience Team work closely with patients, families and their carers in many different ways. One of these being the trust's innovative PALS+ approach where the team help connect patients and their carers to senior members of the clinical, nursing, midwifery and administrations teams to answer their queries and resolve their concerns. There is a Patient Advice and Liaison Service (PALS) staffed office in the main reception area of the hospital building with information boards promoting the service installed around the trust. Further details of our work in respect of patient experience and patient involvement, are included in our quality report.

- ❖ **Volunteers** – whose commitment, enthusiasm and passion continues to positively contribute to the experience of our women, patients and staff. Amongst many other things they talk to and befriend patients, and support and take part in a range of service functions, events and activities at the hospital, fundraising, patient surveys, choir, NHS 70, 'Get involved' Radio City Campaign are to name but a few.

In 2018/19 our volunteers gave a total of 11227.25 hours of their time freely to help support our women, patients, and staff at the hospital. On average, our wards, departments and services have been supported by 54 volunteers a week. The Volunteer Meet and Greet service continues to provide an invaluable service, with an average of 15 volunteers per week welcoming and offering assistance to over 14800 women, patients, their families and visitors.

This year also saw the introduction of two new volunteer roles, Dementia Friends and Reading to Bump.

- ❖ **Hotel Services:** OCS continue to provide these services and throughout the year have worked with the trust to review the contract price without any reduction in the standards of service. OCS report monthly to the trust against a set of Key Performance Indicators(KPI's) set out in the contract. During the last quarter of this reporting period some OCS staff took part in industrial action on three separate days over pay disparity. The dispute was satisfactorily resolved between OCS and UNISON without any increase to the contract price. During the industrial action OCS implemented their business continuity plan which included significant support from staff in other OCS contracts to ensure services were maintained.

- ❖ **PLACE Assessment:** In the sixth year of the annual PLACE Assessments (Patient Led Assessment of the Care Environment) the trust scores were 99.86% for cleanliness (national average = 98.47%), 93.28% for food quality (national average = 90.52%), 85.08% for privacy and dignity (national average = 84.16%), 93.92% for condition and appearance (national average = 94.33%), 77.14% for environment being able to support the care of those with dementia (national average = 78.89%) and 77.91% for environment being able to support those with a disability (national average = 84.19%). The trust continually strives to improve the environment for the care of its patients.
- ❖ **Safeguarding:** 2018/19 has again been a year of significant activity and scrutiny within Safeguarding. Throughout the reporting period there has been a marked increase in activity from last year, with a rise in the referrals into the Team. Throughout this time, despite operational workload, the trust has successfully demonstrated to our Board and Regulators, that robust mechanisms remain in place to safeguard adults, young people and children from abuse.

The trust has continued to ensure close working relations with commissioners and external agencies/partners regarding service design and delivery; and through our continued collaboration between, the Local Authority, Police and other external partners, the trust has further developed and implemented improvements in the quality and provision of our service. This ensures that our safeguarding practice and procedures are up to date, adhered to and compliant with National and Local standards, primary legislation, Government guidance and strategy.

Approaches to Safeguarding continues to evolve and the complexity of decision identifying increases in reporting of newly recognised forms of harm and abuse. As such, aside from further embedding of existing overall process, for 2019/20, the current structures and process will continue to develop in response.

- ❖ **Liverpool Clinical Commissioning Group (CCG)** – during the year the trust worked closely with the Liverpool CCG as a part of our strategic work to secure the future clinical and financial sustainability of the services the trust provides. Regular contract monitoring meetings were held in respect of the services the CCG purchases from the trust, including scrutiny of our quality performance. Liverpool CCG leads the new “One Liverpool” programme which aims to act as a vehicle to bring together health and social care.
- ❖ **Liverpool City Council** – the trust continued to enjoy a very positive working relationship with Liverpool City Council, in particular by meeting with the Mayor and deputy Mayor to discuss the Mayor’s Health Commission, the One Liverpool Programme and the future strategic direction of the trust.
- ❖ **University of Liverpool** – with whom the trust continues to enjoy a strong partnership. The trust is proud that its Centre for Women’s Health Research is located on the site of Liverpool Women’s Hospital, bringing together in one location a number of research focused organisations and initiatives including the Centre for Better Births, the University Departments of Physiology and Women’s and Children’s Health, the Cochrane Pregnancy and Childbirth Group and the Sanyu Research Centre.

- ❖ **Edge Hill University** – the trust has continued to work in partnership with Edge Hill to provide expertise in to the provision of an MSc Clinical Reproductive Medicine and MSc Advanced Fertility Practice. AS previously reported Edge Hill and the trust successfully achieved validation with the Nursing & Midwifery Council to provide the clinical placement, the first in the country, for 18 month MSc Midwifery conversion course for qualified nurses.
- ❖ **Liverpool Health Partners (LHP)** – is a collection of high quality research partners from across the Liverpool. The trust is a founding partner of LHP whose vision is to create a leading national and global centre, where world-class research, teaching and clinical practice are brought together to improve the health of people across the region and beyond.
- ❖ **Liverpool John Moores University** – the trust continues to provide placements for both nursing and midwifery students, and is considering future options in terms of academic research across both of these disciplines.

Workforce Race Equality Standard (WRES): The trust submitted its Workforce Race Equality Standard (WRES), report in September 2018. The report was based on data from the trust Electronic Staff Record (ESR) and results from the national staff survey; this report also includes an action plan of recommendations focused on improving representation and race equality in the workplace. The 2018 report highlighted that there has been an increase in the number of BME staff who feel that there are equal opportunities for career progression in comparison to the 2017 staff survey; additional work has been conducted to further communicate opportunities to attend the leadership programme and there has also been specific targeting with regards to external career development programmes to BME groups.

In terms of BME representation in roles across the trust, the 2018 statistics are largely comparable with 2017, specifically there are few BME staff across all pay bands in the trust and the figure has marginally decreased from 7% in 2017 to 6% in 2018. As previously reported, there are more BME staff employed in clinical roles when compared to non-clinical roles, with consultants/medical staff continuing to be the most diverse group within the trust.

Anxiety, stress and depression continue to be a primary cause of sickness absence across the trust and therefore, we continue to invest in mental health support for our staff and continue to provide Mental Health First Aiders (MHFA) training. This training provides a framework to help staff improve their own wellbeing and offer immediate help to other members of staff who are experiencing a range of mental health problems. The trust continues to strive to the target of training a minimum of 10%; since training commenced in January 2018, it now has an in-house trainer fully conversant in delivering the training programme. In-year, the trust successfully trained 3.2% of the workforce in MHFA; such training to the wider workforce continues to be available.

The trust continues to be a signatory to the 'Mindful Employer Charter' in 18/19 and remain committed to showing positive and enabling attitudes towards employees and applicants for employment who have mental health issues. The contract for counselling services continues to be available via Mersey Care NHS Foundation Trust (Merseycare) who provide a range of additional services to support staff including a 24/7 advice line and signposting to other mental health services such as CBT.

The trust remains a 'Disability Confident Employer' and this accreditation is in place until July 2019. To gain this accreditation, the trust provided evidence that we actively look to recruit disabled people, remove any barriers to them accessing roles and make reasonable adjustments, where required.

The trust's Dignity at Work (DAW) Advisors continue to support staff with issues in the workplace, facilitating conversations and recommending a formal mediation session for affected staff or signposting staff to the formal Dignity at Work Policy and Procedure. The trust has trained a group of in-house mediators with the aim of resolving conflict at an earlier stage and avoiding the need for formal processes. The role of Freedom to Speak Up Guardian is embedded within the trust and DAW Advisors act as formalised support for the F2SU guardian to ensure there is increased availability for staff to access support.

The trust has also entered into a partnership with neighbouring trusts to offer a returnee-ships, internships and pre-employment programmes where those who successfully complete programmes are offered a post on bank. In 2017/18, the trust supported thirteen participants in the pre-employment programme; eight individuals were offered substantive or bank posts as a result of the programme. The trust commits to ongoing engagement with the community to increase under-represented groups in the workforce; this includes close work with local schools, career days and offering work experience placements.

All trust policies continue to be subject to an Equality Impact Assessment as part of a stringent policy assurance process. The aim of the assessment is to identify any areas of potential discrimination and take appropriate measures to reduce this risk prior to the policy being released for use by our staff. Based on the procedures in place the trust is confident that it is taking all practicable measures to prevent discriminatory practices within all of its policies. In addition to policies, Equality Impact Assessments are now carried out on all Cost Improvement and Transformation plans to ensure discrimination can be identified and eliminated at the earliest opportunity. These assessments are Quality Assured prior to any cost saving initiatives being initiated and recommendations for full consultation with those affected patients and staff are made where required.

Modern Slavery Act 2015: The trust is fully aware of the responsibilities it bears towards patients, employees and the local community and as such, we have a strict set of ethical values that we use as guidance with regard to our commercial activities. The trust expects that all its suppliers adhere to the same ethical principles.

Likely future developments

In 2019/20 the trust will continue to support Liverpool CCG who are considering the strategic options aimed at ensuring services for women, babies and families remain clinically and financially viable.

Our plans can be found on the trust's website at www.liverpoolwomens.nhs.uk.

Important events since the end of the financial year

There have been no important events to report since the end of the financial year.

Overseas Operations

Liverpool Women's NHS Foundation trust had no subsidiaries or branches in operation outside the UK in 2018/19.

Kathryn Thomson

Kathryn Thomson

Chief Executive

24 May 2019



3. Accountability Report

3i(a) Directors' report

The board of directors

During the period 1 April 2018 to 31 March 2019, the following were members of the trust's board of directors:

Non-Executive Directors		
<i>Robert Clarke</i>	Chair	
<i>Ian Haythornthwaite</i>	Non-Executive Director & Vice Chair	To 6 April 2018
<i>Tony Okotie</i>	Non-Executive Director & Senior Independent Director	
<i>Phil Huggon</i>	Non-Executive Director	
<i>Jo Moore</i>	Non-Executive Director	
<i>Ian Knight</i>	Non-Executive Director	
<i>David Astley</i>	Non-Executive Director	To 28 September 2018
<i>Susan Milner</i>	Non-Executive Director	
<i>Tracy Ellery</i>	Non-Executive Director	From 1 March 2019
<i>Louise Kenny</i>	Non-Executive Director	From 1 March 2019
Executive Directors		
<i>Kathryn Thomson</i>	Chief Executive	
<i>Michelle Turner</i>	Director of Workforce and Marketing & Deputy Chief Executive ⁽¹⁾	
<i>Jennifer Hannon</i>	Director of Finance	
<i>Caron Lappin</i>	Director of Nursing & Midwifery	From 16 July 2018
<i>Devender Roberts</i>	Acting Medical Director ⁽²⁾	From 8 March 2019
<i>Andrew Loughney</i>	Medical Director & Deputy Chief Executive	To 8 March 2019
<i>Julie King</i>	Acting Director of Nursing & Midwifery	To 15 July 2018
<i>Loraine Turner</i>	Interim Director of Operations ⁽³⁾	From 18 February 2019
<i>Jeffrey Johnston</i>	Director of Operations	To 25 February 2019

(1) Michelle Turner was appointed to the additional role of Deputy Chief Executive from 8 March 2019.

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

(3) Loraine Turner, interim Director of Operations is not a voting executive director however attends all meetings of the Board and was appointed under an agency contract, see section 3ii Remuneration Report.

Directors' responsibility for preparing the financial statements

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

Statement of disclosure to auditors

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

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

For the purposes of this declaration:

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

Compliance with the code of governance

Liverpool Women's NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The board of directors is committed to achieving the highest standards of governance within the trust and has established processes to enable it to comply with the Code of Governance. The code requires foundation trusts to make a full disclosure on their governance arrangements for the financial year 2018-19. The code also requires the board to explain how the main principles and supporting principles of the code have been applied. The information satisfying this requirement can be found throughout the Annual Report and Accounts. Furthermore the trust is required to provide a statement either confirming compliance with the provisions of the code or where appropriate, an explanation in each case why the trust has departed from the code. The trust's response to this requirement can be found in section 3iv Disclosures set out in the NHS Foundation Trust Code of Governance.

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

Board meetings and attendance

During 2018/19 the board met eleven times. Attendance at the board meetings and Committee meetings is included in the table below. The board also held formal development days during the year and shorter development workshops on the day of the board meetings. These are also included in the table below.

	BOARD OF DIRECTORS	AUDIT COMMITTEE	QUALITY COMMITTEE	PUTTING PEOPLE FIRST COMMITTEE	FINANCE PERFORMANCE AND BUSINESS DEVELOPMENT COMMITTEE
Robert Clarke	10 of 11				
Tony Okotie	9 of 11	5 of 5		4 of 5	
Ian Haythornthwaite (to 6 April 2018)	1 of 1				
David Astley (to 24 September 2018)	6 of 6	2 of 2	4 of 5	2 of 2	

	BOARD OF DIRECTORS	AUDIT COMMITTEE	QUALITY COMMITTEE	PUTTING PEOPLE FIRST COMMITTEE	FINANCE PERFORMANCE AND BUSINESS DEVELOPMENT COMMITTEE
Phil Huggon	9 of 11		8 of 9		8 of 9
Ian Knight	11 of 11	5 of 5	2 of 4	3 of 4	8 of 9
Jo Moore	9 of 11	2 of 3			9 of 9
Susan Milner	10 of 11		8 of 9	1 of 1	
Tracy Ellery (from 1 March 2019)	0 of 1				
Louise Kenny (from 1 March 2019)	1 of 1				
Kathryn Thomson	10 of 11				8 of 9
Jennifer Hannon	11 of 11		8 of 9		9 of 9
Michelle Turner	10 of 11		7 of 9	5 of 5	
Andrew Loughney (to 8 March 2019)	10 of 11		7 of 8		
Caron Lappin (From 16 July 2018)	6 of 6		6 of 6	3 of 3	
Loraine Turner (to 28 February 2019)	1 of 1		0 of 1		1 of 1
Devender Roberts (from 8 March 2019)			1 of 1		
Jeffrey Johnston (to 28 February 2019)	9 of 10		6 of 8	4 of 5	6 of 8
Julie King (to 15 July 2018)	3 of 5		3 of 4	1 of 2	

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

How the board operates

During the year under review the board comprised of between six and eight independent non-executive directors including the chair and senior independent director and five/six voting executive directors including the Chief Executive. At 31 March 2019 the number of directors on the board comprised of eight non-executive directors including the chair and senior independent director and five voting executive directors including the chief executive. The trust is committed to having a diverse board in terms of gender and diversity of experience, skill, knowledge and background. The biographical details of the directors together with details of the vice chair and senior independent director can be found in section 3i(c) Board of Directors pen portraits. All board and board committee meetings held during the year had been quorate where formal decisions were required to be taken. All decisions made by the board and its committees had been approved unanimously and recorded appropriately.

The non-executive directors bring a wealth of experience at board level and complemented the non-executive representation on the board in the provision of challenge and scrutiny on operational and strategic matters. Further details on the appointment of executive and non-executive directors can be found in section 3ii Remuneration Report.

The board have a collective responsibility for setting the strategic direction and the effective stewardship of the trust's affairs and ensures that the trust complies with its provider licence, constitution, mandatory guidance and contractual and statutory duties; provides effective and

proactive leadership of the trust within a robust governance framework of clearly defined internal controls and risk management processes; and approves the trust's financial and operational plans, taking into account the views of governors; sets the trust's vision, values and standards of conduct and behaviour, ensuring that its obligations to stakeholders, including patients and members are met; ensures the quality and safety of services, research and education and application of clinical governance standards including those set by NHSI, the Care Quality Commission, NHS Resolution and other relevant bodies. The board has a formal schedule of matters reserved for board decisions; these are included in the trust's scheme of reservation and delegations.

The unitary nature of the board means that non-executive directors and executive directors share the same liability and the same responsibility to challenge board decisions and development of the trust operations and strategy. The board delegates operational management and the execution of strategy to the executive team and has established an integrated governance committee structure to provide it with assurances that it is discharging its responsibilities. The formal schedule of matters reserved also includes the responsibilities of the council of governors as set out in statute and within the trust's constitution.

All directors have full and timely access to relevant information to enable them to discharge their responsibilities. The board met thirteen times during the year (nine formal meetings and four workshops). At each of its meetings the board reviews the trust's key performance information, including reports on quality and safety, patient experience and care, operational activity, financial analyses and strategic matters.

The board monitors compliance with objectives and is responsible for approving major capital investment and any borrowing. It meets with the council of governors, senior clinicians and divisional managers, and uses external advisors when necessary.

The proceedings at all board and committee meetings are fully recorded through a process that allows any director's concerns to be recorded in the minutes and assurances provided. The board meetings are held in public and minutes of these meetings and papers are published on the trust's public website.

Directors are able to seek individual professional advice or training at the trust's expense in the furtherance of their duties. The directors and governors have direct access to advice from the trust secretary who ensures that the board meetings, council of governors meetings and committee meetings procedures are followed and applicable regulations are complied with. The appointment or removal of the trust secretary is a matter for the board and the council of governors.

Balance, completeness and appropriateness

There is a clear division of responsibilities between the chair and chief executive, which has been agreed by both parties and the board. The chair is responsible for the leadership of the board and council of governors, ensuring their effectiveness individually, collectively and mutually. The chair is also responsible for ensuring that members of the board and council receive accurate, timely and clear information appropriate for their respective duties and for effective communication with patients, members, clients, staff and other stakeholders. It is the chair's role to facilitate the effective contribution of all directors, ensuring that constructive relationships exist between them and the council of governors. The chief executive is responsible for the performance of the executive directors,

the day to day operation of the trust and the implementation and delivery of the trust's approved strategy and policies.

In accordance with the code of governance, all non-executive directors are considered to be independent, including the chair.

The directors' biographical detail set out in section 3i(c) Board of Directors pen portraits, demonstrates the wide range of skills and experience that they bring to the board. The trust's non-executive directors have each signed a letter of appointment to formalise their terms of appointment. All board level appointments are conducted to meet the requirements of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

The board believes it has a good balance of skills, experience and length of service, however it recognises the value of succession planning for board members. The trust has a programme of board appraisal, individual appraisal and appointment or re-appointment to ensure the stability, succession, effectiveness and improve performance of the board.

Performance evaluation of the board, its committees and individual directors is undertaken in a number of ways; through review of its work plan; terms of reference of its committees and receipt of monthly updates and an annual report of achievements from each of its committees. At the conclusion of each meeting the board and its committees assesses the effectiveness of the meeting. The trust undertook the NHS Improvement well led review in 2014/15 and this was updated further in 2015/16 with an assessment of the Board effectiveness following changes to the Chair and non-executive directors. A review in accordance with NHSI new well-led framework will be carried out in 2019/20.

All directors undergo an annual appraisal during which there is an evaluation of their performance against objectives as set at the beginning of the year: the chair appraises all non-executive directors save for the senior independent director. The senior independent director appraises the chair and invites the views of other directors and members of the council of governors as a part of the process. The vice chair appraises the senior independent director. The outcomes from the appraisals of the chair and non-executive directors are presented to the nomination and remuneration committee of the council of governors. The chief executive appraises executive directors and the chair appraises the chief executive. A report on the outcome of these appraisals is presented each year to the nomination and remuneration committee of the board of directors.

The chair's other significant commitments are detailed section 3i(c) Board of Directors pen portraits and within the board of directors' register of interests. Members of the public can find the register of interests at www.liverpoolwomens.nhs.uk.

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

Understanding the views of the governors, members and the public

The board recognises the value and importance of engaging with governors in order that the governors may properly fulfil their role as a conduit between the board and the trust's members, the public and stakeholders.

The board and council of governors meet regularly and enjoy a good relationship. Each is kept advised of the other's progress through the chair and includes standing items at both the board meeting and council of governors meeting for the chair to share any views or issues raised by directors, governors and members. Members of the board attend the council of governors and the council's group meetings (see section 3i(d) for more information).

The council of governors have access to board meeting agenda and minutes and are able to, with other members of the public, observe the meeting of the board held in public in order to understand the issues raised at the trust board. Governors are encouraged to attend the board meetings in order to observe the non-executive directors performance at the meetings in challenging and scrutinising reports presented by the executive directors. This helps the governors to discharge their duty in holding the non-executive directors, individually and collectively, to account for the performance of the board. Non-executive directors attend the council of governor meetings and council groups to report on matters discussed at the board of directors and board committees; this provides the governors with additional opportunity to address any concerns they may have with non-executive directors that may have arisen during a board meeting or within the trust.

At the council of governors and council group meetings there is opportunity for public and staff governors to feedback any issues from constituency members.

Independent advice of the trust secretary is available to all directors and governors in relation to all matters associated with the business of the board or council of governors. In line with the requirements of the provider licence all directors and governors have met the 'fit and proper' person test.

Register of interests

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

Board committees

The board has three statutory committees: the Charitable Funds committee and the Audit committee, both chaired by an independent non-executive director; and the Nominations and Remuneration committee, chaired by the trust chair. There are three additional committees the: Quality Committee; Putting People First committee; and Finance Performance and Business Development committee. Each works closely with the Audit committee but report directly to the board by way of committee chair reporting and access to minutes. Urgent matters are escalated by the committee chair to the board through the chairs reports as deemed appropriate. Each committee is chaired by an independent non-executive director with exception of the Nominations and Remuneration committee which is chaired by the trust chair.

For further details on the work of the committees can be found at: section 3i(b) Audit Committee; Nominations Committee and Remuneration Committee see section 3ii Remuneration report; Quality committee, the Putting People First committee and the Finance Performance and Business Development committee see section 3vii Annual Governance Statement.

Research and Development

Research and development continues to be a key activity for the trust. Details of our research activity can be found in section 4; quality report.

NHS Improvement's well-led framework

The NHS Improvement's (NHSI) well-led framework was developed by NHS Improvement as an assessment tool for trusts to use to benchmark their arrangements for the effective leadership and quality governance of the trust. In June 2017 NHSI published its new well-led framework which is structured around eight key lines of enquiry (KLOEs) which are shared with the Care Quality Commission (CQC), and details of good practice that organisations and reviewers can use to inform their judgements. In 2014/15 a well-led review was conducted independently for the trust by Deloitte LLP and was based on NHS Improvement then published well-led framework for governance reviews and in late 2015 a follow up effectiveness review was conducted independently by Deloitte LLP following significant changes in the non-executive director membership of the board and action plans were developed to address the future needs of the board following the appointment to a new chair (March 2016) and new non-executive directors (April 2016 and June 2016). As a part of the process Deloitte's officers observed a number of board meetings, met with all directors and a number of key staff and interviewed key stakeholder organisations. Feedback from the review has been received by the board and an action plan was developed to address any key weaknesses in the board's effectiveness and performance. The Board is proposing to undertake a well led review in accordance with NHSI's new guidance in 2019/20, in undertaking the review the board will have regard to the framework in arriving at its overall evaluation of its performance, internal control and board assurance framework. The annual governance statement (section 3vii) and the Quality Report (section 4) provides detail on the trust's approach to improve both corporate governance and quality governance arrangements in place in the trust. Work is ongoing to ensure that there is effective divisional leadership and governance in place following the implementation of the revised divisional structure adopted by the trust in April 2019 and explained in section 3vii annual governance statement.

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

Care Quality Commission

Liverpool Women's NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is "registered without conditions". The Care Quality Commission has not taken enforcement action against the trust during 2018-19 and has not been asked to participate in special reviews or investigations by the Care Quality Commission during the reporting period.

In February 2018 the trust was formally inspected under the new CQC Inspection framework, with the final report published by CQC on 23 May 2018. The trust was pleased to announce that it has been given an overall rating of '**good**'. The trust was described as safe, caring, effective, responsive and well-led in the report. An action plan has been agreed with the CQC to address area's that was felt could be further enhanced. Further details regarding the inspection and the findings of the report can be found in section 4, quality report.

Better payment practice code

The Better Payment Practice Code requires that 95% of undisputed invoices relating to trade creditors are paid within 30 days of receipt. The trust's performance during 2018/19 and 2017/18 is shown below:

	2018/19	2018/19	2017/18	2017/18
Description	Number	Value in £000's	Number	Value in £000's
Non-NHS				
Total Non-NHS bills paid in the year	14,148	42,327	16,863	44,111
Total Non-NHS bills paid within target	12,206	39,456	14,935	40,390
Percentage of Non-NHS bills paid within target	86%	93%	89%	92%
NHS				
Total NHS bills paid in the year	1,056	27,970	1,724	27,456
Total NHS bills paid within target	511	24,139	1,076	24,323
Percentage of NHS bills paid within target	48%	86%	62%	89%
Total				
Total bills paid in the year	15,204	70,297	18,587	71,567
Total bills paid within target	12,717	63,595	16,011	64,713
Percentage of Total bills paid within target	84%	90%	86%	90%

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

Cost Allocation and Charging Guidance issued by HM Treasury

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

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

During the year Liverpool Women's NHS Foundation Trust generated income due to the provision of private patient services in a number of services but most significantly in that of fertility services. The income received from this source in 2018/19 was £3,253k (2017/18, £2,880k) which was 2.7% (2017/18, 2.5%) of all trust income.

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

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

Emergency preparedness, resilience and response (EPRR)

The trust has a duty under the Civil Contingencies Act 2004 to prepare for and provide an effective response in emergency situations and to incidents that may cause disruption to service provision.

The Director of Operations is the designated EPRR Accountable Emergency Officer and holds responsibility for ensuring the organisation remains resilient and provides an effective response to emergencies.

The trust has a portfolio of emergency and business continuity plans in place and works in cooperation with other organisations to ensure those plans are effective. Lessons learned from emergency and business continuity incidents and exercises are shared across the organisation and with healthcare partners to inform planning processes and current plans.

The trust was required by NHSE to self-assess compliance in relation to the revised NHSE EPRR Core Standards for 2018. The trust achieved substantial compliance within this process and has work programmes in place to ensure this standard is maintained and to implement continuing improvements.

Local Security Management Specialist

The overall objective of the trust's Local Security Management Specialist is to deliver an environment that is safe and secure so that the highest standards of clinical care can be made available to patients. This is achieved by providing a security management service for the trust, continuing to work towards the creation of a pro-security culture and ensuring security activity in respect of NHS Protect's four areas of priority. These are tackling violence and aggression against staff; protecting paediatric and maternity unit; protection of drugs, prescription forms and hazardous materials, and; protecting trust property and assets.

Countering fraud and corruption

The trust is committed to countering fraud and corruption. It engaged the services of a registered counter fraud specialist and is compliant with the requirements of the counter fraud manual. The trust fully cooperates with NHS Protect and responds to the national proactive reviews. The trust's work in respect of countering fraud and corruption is overseen by the audit committee.

There is clear strategic support for anti-fraud and bribery work at the trust. The Mersey Internal Audit Local Counter Fraud Service is actively supported by the Director of Finance and the audit committee. A counter fraud work plan is agreed with the Director of Finance at the start of each year and provided to the audit committee for approval. The work plan outlines the core activities to be undertaken during the financial year and allocates resource against each NHS Protect standard for providers which enable all activities to be delivered.

Counter fraud policies are set out in the trust's Standing Financial Instructions which form a part of our corporate governance manual, reviewed annually. The trust also has in place a whistle-blowing policy. The trust's accountable officer for fraud is the Director of Finance.

Consultations

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

Additional reporting information

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

- ❖ The trust has not made any political donations during the year
- ❖ A statement that accounting policies for pensions and other retirement benefits are set out in note 6 to the accounts and details of senior employees' remuneration can be found in the section 3ii Remuneration Report.
- ❖ trust policies on employment and training of disabled persons can be found in the Staff Report section 3iii.
- ❖ Details of Sickness absence data can be found in the Staff Report section 3iii.
- ❖ Details of the trust's approach to communications with its employees can be found in the Staff Report section 3iii.
- ❖ Details of the trust's financial risk management objectives and policies and exposure to price, credit, liquidity and cash flow risk can be found in note 25 of the annual accounts.

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

During the year, the board of directors had been updated in meetings held in public on the national expectations on trusts relating to the United Kingdom leaving the European Union. The trust has complied with all relevant national requirements and during the year has reviewed all potential risks. The board has concluded that this is not a significant strategic risk for the trust given the matters being dealt with directly by NHS central bodies and HM Government.

Related Party Transactions

The trust has a number of significant contractual relationships with other NHS organisations which are essential to its business. A list of the organisations with which the trust holds the largest contracts is included in note 28 to the accounts.

Appointment of External Auditors

The council of governors, following a recommendation of the audit committee approved the appointment of KPMG LLP as the trust's external auditor for financial year 2018/19.



Kathryn Thomson

Chief Executive

24 May 2019

3i(b) Audit committee report

The audit committee comprises solely of independent non-executive directors. The chair of the committee was Ian Knight. The other members of the committee during the year under review were Ian Haythornthwaite (to 6 April 2018); David Astley (to 28 September 2018); Jo Moore (from 28 September 2018); and Tony Okotie (from 6 April 2018). Attendance at meetings held during 2018/19 is shown in 3i(a) Directors Report.

The director of finance, deputy director of finance, trust secretary, financial controller and external and internal auditors are usually in attendance at meetings of the committee. Executive directors and other managers are required to attend for specific items, as is the local counter fraud specialist. Copies of the terms of reference of the audit committee can be obtained from the trust secretary.

The work of the committee in 2018/19 has been to review the effectiveness of the organisation and its systems of governance, risk management and internal control through a programme of work involving the challenge and scrutiny of assurances provided by internal audit, external audit, local counter fraud officer and trust managers. The committee follows a work programme that includes the agreed work plans for external audit, internal audit and counter fraud.

Principal Review Areas in 2018/19

The narrative below sets out the principal areas of review and significant issues considered by the committee during 2018/19 reflecting the key objectives set out in its terms of reference.

Internal Control and Risk Management

The committee has reviewed relevant disclosure statements for 2018/19, in particular the annual governance statement, internal audit board assurance framework opinion which when combined together with receipt of the head of internal audit opinion, external audit opinion and other appropriate independent assurances provides assurances on the trust's internal control and risk management processes.

Internal Audit

Throughout the year, the committee has worked effectively with internal audit to ensure that the design and operation of the trust's internal control processes were sufficiently robust.

The committee reviewed and approved the detailed programme of work for 2018/19. This included a range of key risks identified through a review of the Board Assurance Framework and in discussion with management and executive directors. Reviews were identified across a range of areas, and focused on business critical systems using a risk based approach.

The committee has considered findings of internal audit and where appropriate has sought management assurance that remedial action had been taken. In instances where 'limited assurance' is assigned to a review, the committee would request the responsible executive/manager attendance at a meeting of the committee to provide assurance that the management actions would be carried out. This strengthens the committee's response to audit findings and ensures that any control weaknesses are understood by the committee and the board through the integrated governance structure and that these weaknesses are addressed in a timely manner.

The committee has given considerable attention to the importance of follow up of reviews in respect of internal audit work in order to gain assurance that appropriate management action had been implemented.

Counter Fraud

The committee reviewed and approved the counter fraud work plan for 2018/19. During the course of the year, the committee also regularly reviewed updates on proactive counter fraud work and had received additional assurances from work that had been commissioned at the request of the board that had not formed part of the work plan.

External Audit

The committee routinely received progress reports from the external auditor, including an annual accounts audit timetable and programme of work, updates on key emerging national issues and developments which may be of interest to committee members alongside a number of challenge questions in respect of emerging issues which the committee may wish to consider. The committee also reviewed the trust's annual report and accounts 2017/18 including its directors report, remuneration report, annual governance statement, quality report, external audit findings and external audit management letter (ISA260). In addition it also reviewed the trust's compliance with NHSI's Code of Governance which formed part of the requirements for the production of the annual report.

At the January 2019 committee meeting, the committee received a report from the external auditor on the external audit plan for the annual report and accounts 2018/19. This included an analysis of the external auditor's assessment of significant audit risks, the proposed audit strategy, audit and reporting timetable and other matters. The committee discussed and approved the proposed plan recognising that the approach would be responsive to the many changes affecting the trust. The plan was also presented to the Council of Governors Finance and Performance Group at their meeting in January 2019.

The External Audit Plan 2018/19 highlighted two specific significant audit risks in relation to NHS income and receivables and the valuation of land and buildings.

The committee discussed the approach taken by the trust in relation to income recognition. The trust has robust processes in place that ensure that income is actively monitored and that debtors are followed up on a timely basis.

The committee discussed the approach taken by the trust in relation to valuation of land and buildings. The committee noted that the trust has robust processes in place to assess for impairments and appropriate valuation arrangements.

The committee discussed the significant transaction risk in relation to management override of controls and is satisfied that there are no issues arising from the work of internal audit that would suggest that this could lead to a material misstatement within the accounts.

The value of external audit services including assurance on the quality report for the year was £68,854 (2017/18, £70,843).

For the external audit services the Council of Governors at its meeting on 25 October 2017 approved the appointment of KPMG LLP as the external auditors of the trust for a 3 year contract period from the 2017/18 to 2019/20 financial years (with the option to extend for a further 2 years).

Going concern statement 2018/19

The going concern statement was presented to audit committee at the committee meeting on 16 May 2019 where it was discussed and approved for recommendation to the Board of Directors.

Materiality in planning and performing the audit 2018/19

The overall materiality to assist the external auditor in planning of the overall audit strategy and to assess the impact of any adjustments identified had been set at 1.5% (£1.75m) of total revenue for the year ended 31 March 2019.

Financial Assurance

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

Other Assurance

The committee routinely received reports during 2018/19 on Losses and Special Payments and Single Source Tender Waivers, changes to the trust's standing financial instruments and Scheme of Delegation, Corporate Governance Manual; Board Assurance Framework; whistleblowing; and declarations of interest of the directors, staff and governors.

The committee receives reports from the chair of each of the board committees on any areas of concern that may need to be addressed by the board.

During the year the committee met privately with the internal and external auditors, without the presence of a trust officer.

There is a policy in place for the provision of non-audit services by the external auditor, in recognition of the need to safeguard auditor objectivity and independence. During 2018/19, the external auditor, KPMG, had not been engaged in any non-audit activity.

The committee reviews its effectiveness through use of a discussion between members of the committee at the end of each meeting, following which the chair of the committee reports any areas of concern that may need to be addressed on the effectiveness of the committee. In 2018/2019 the committee undertook a review of its effectiveness facilitated by the Internal Auditor Merseyside Internal Audit. The findings of the effectiveness review have been discussed by the Committee at its meeting in January 2019 and an action plan developed that includes work with other Board committees on the provision of assurance to the board.

Ian Knight

Chair

Audit Committee

3i(c) Board of directors - pen portraits

Non-Executive Directors

Robert Clarke – Chair

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

Robert is the managing partner of a family dairy farm and is a director of a startup business collecting agricultural plastics for recycling; Farm Plastics Recycling Ltd. He has held directorate roles at Zenith Milk Ltd, the Royal Association of British Dairy Farmers and Dairy Farmers of Britain Ltd in addition to his NHS role.

Ian Haythornthwaite – Non-Executive Director and Vice Chair (to 6 April 2018)

Ian joined the board of Liverpool Women's in May 2011 and is a fellow member of the Chartered Institute of Management Accountants, with extensive public sector management experience.

Ian is currently Director of Finance for the BBC, controlling a budget of £4bn per annum. Previously he was Finance Director for BBC North based at Media City which opened in May 2011. Prior to the BBC, Ian was Deputy Chief Executive at the North West Development Agency which led on the economic regeneration of the North West of England. And prior to this he was the Finance Director and then Pro Vice Chancellor at the University of Central Lancashire. As an Executive Director of the group he was responsible for the regional strategy, business interaction, commercial and intellectual property exploitation and innovation. In addition he was responsible for executive management of the University estate and facilities including all trading and service provisions.

Tony Okotie – Non-Executive Director & Senior Independent Director

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

Jo Moore - Non-Executive Director & Vice Chair

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

David Astley OBE - Non-Executive Director (to 28 September 2018)

David joined the board of Liverpool Women's Hospital in April 2016. He has over 40 years' experience of healthcare management mostly in the NHS and recently as Chief -Tertiary Hospitals Group of the Hamad Medical Corporation in Qatar. His NHS experience included five years as General Manager of Addenbrooke's Hospital, Cambridge from 1986. He was also Chief Executive Officer of East Kent Hospitals between 1999 and 2006 and of St George's Hospital, London from 2006 to 2011. Awarded an O.B.E in 2006 in recognition of his contribution to the NHS. He was born in Walton, Liverpool and attended Alsop School prior to University.

Ian Knight - Non-Executive Director

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

Ian was a Member and subsequently a Fellow of the Association of Corporate Treasurers, from 1981 to 2003. He has a BA (Hon) in Business Studies. He has undertaken Non-Executive Director training courses with the Institute of Directors, NED Forum and PWC, and attended the Wharton Business School's Negotiation Program, and both the M & A Programme and the Strategic Management Programme at Ashridge Business School.

Since retiring from Yorkshire Water Ian has spent much time doing voluntary work with his local Methodist Church, and with two local amateur dramatic societies, acting as treasurer and chief fund raiser for all three organisations. He is also a volunteer at Bradford Science and Media Museum. Last year Ian became a trustee for the Kelda Group Pension Plan.

Phillip Huggon - Non-Executive Director

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

Susan Milner - Non-Executive Director

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

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

Prof Louise Kenny – Non-Executive Director (from 1 March 2019)

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

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

Tracy Ellery

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

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

Executive Directors

Kathryn Thomson MCIPD – Chief Executive

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

Kathryn's professional background is Human Resources and Organisational Development and she continues to maintain a focus in these areas. For some years she chaired the Cheshire and Merseyside Local Workforce and education Group and she is a Board member of the North West coast Innovation agency and Liverpool Health Partners.

Michelle Turner MCIPD – Director of Workforce and Marketing & Deputy Chief Executive

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

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

Jennifer Hannon BA (Hons) FCA – Director of Finance

Jenny first joined the Liverpool Women's in 2012, and after a short spell at NHS England, returned to the Trust in 2014 as Deputy Director of Finance. She joined the Board of Directors in October 2017, undertaking the role of Director of Strategy and Planning on an interim basis, before taking up the post of Director of Finance in February 2018. Jenny trained with professional services firm EY and is a Chartered Accountant and Fellow of the Institute of Chartered Accountants in England and Wales. She has held a number of senior finance roles across a range of organisations and has long standing ties with Liverpool as well as experience of working on national and international projects.

Caron Lappin – Director of Nursing and Midwifery (from 16 July 2018)

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

Dr Andrew Loughney - Medical Director (to 8 March 2019)

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

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

Jeffrey Johnston FCCA, Director of Operations (to 25 February 2019)

Jeff joined the trust in December 2005 as the Assistant Director of Finance. He moved into operational management in 2009 and held a number of senior management roles including Divisional Manager, managing all the divisional services within the trust. Jeff became the Director of Operations in 2016.

Prior to joining the trust Jeff held a number of senior positions in both the NHS and other public sector organisations.

Julie King – Acting Director of Nursing and Midwifery (to 15 July 2018)

Julie commenced her career with the NHS in 1993 and joined the Trust in January 2016 as the Deputy Director of Nursing and Midwifery. In October 2017 Julie was asked to act up into the role of Director of Nursing & Midwifery. She is a Registered Nurse and Non-Practising Barrister with lengthy experience in the healthcare sector.



Board thank you to staff going above and beyond during the year

3i(d) Council of governors & members

Council of Governors

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

The council is made up of the following representative constituencies:

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

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

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

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

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

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

The names of then Governors and the constituencies they represent are set out below. A biography for each governor is available on the trust website. The term of office of governors begin and end at the annual general meeting of the trust held in October each year. In cases where a governor is elected

part way through a year a by-election is called. The terms of office have been rounded to the nearest year.

Council of Governors Meetings

Each year the Council of Governors meets on at least three occasions, in public. Between April 2017 and March 2018 the council met on four occasions in public additionally the members of the council met to attend the councils four sub-groups/committees meetings, explained below. Details of governor attendance at the full council meetings are set out in the table below.

Public Governor (Elected)	Term in Office	From	To	Council of Governors meetings attended, April 2018 - March 2019
Central Liverpool				
Issac Olaitan Okeya	3 Years	2017	2020	1 of 4
Sarah Carroll	5 years	2015	2020	1 of 4
Thania Islam	3 years	2018	2021	0 of 2
Mary Doddridge	3 Years	2018	2021	2 of 2
Terri Anne Green	3 years	2015	2018	1 of 2
Saad Al-Shukri	3 years	2015	2018	2 of 2
North Liverpool				
Adrian O'Hara	5 years	2015	2020	2 of 4
Si Jones	3 years	2018	2021	2 of 2
Elizabeth Williams	3 years	2015	2018	0 of 2
South Liverpool				
Ms Janice Mayer	3 Years	2018	2021	0 of 2
Sheila Gwynn-Adams	3 years	2015	2018 ⁽¹⁾	1 of 1
Richard Roberts	3years	2016	2019 ⁽²⁾	3 of 4
Sefton				
Pat Speed	6 years	2014	2020	2 of 4
Carole McBride	6 years	2015	2021	4 of 4
Knowsley				
Rev Anne Lawler	3 Years	2018	2021	1 of 2
Vacant	-	-	-	-
Rest of England and Wales				
Denise Richardson	3 Years	2018	2021	2 of 2
Dr Aminu Musa Audu	2 years	2017	2019	4 of 4

(1) resigned 12 June 2018.

(2) Under the trust's constitution "A person may not become a Governor of the trust, and if already holding such office will immediately cease to do so if she is the spouse, partner, parent or child of a member of the Board of Directors of the trust. Following the appointment of Dr Devender Roberts to the Board as acting Medical Director, Richard Roberts was required to stand down as a Governor with effect from the date of her appointment, 8 March 2019.

Staff Governor (Elected)	Term in Office	From	To	Council of Governors meetings attended, April 2018 - March 2019
Doctors				
Dr Adel Soltan	6 years	2013	2019	4 of 4
Nurses				
Gillian Walker	3 years	2017	2020	3 of 4
Midwives				
Pauline Kennedy	3 years	2016	2019	2 of 4
Scientists, technicians and allied health professionals				
Vacant	-	-	-	-

Administrative, clerical, managers, ancillary and other support staff				
Kate Hindle	3 Years	2018	2021	2 of 2
John Foley	6 years	2014	2018	2 of 2

Appointed Governor (Elected)	Organisation	Council of Governors meetings attended, April 2018 - March 2019
Cllr Angela Coleman	Liverpool City Council	0 of 1
Cllr Patricia Hardy	Sefton Borough Council	1 of 4
Vacant	Knowsley Borough Council	-
Ana Alfirevic	University of Liverpool	2 of 2
Rev. Cynthia Dowdle	Faith Organisations	3 of 4
Mary McDonald	Community & Voluntary Organisations	4 of 4
Valarie Fleming	Education Institutions	1 of 4
Vacant	Education Institutions – Student Representative	-

Governor elections in year

Governor elections are carried out by Electoral Reform Services and the returning officer was Ciara Norris. Elections carried out between July 2018 and October 2018 related to the following constituencies: Public – Central Liverpool (2 seats); Public – North Liverpool (1 Seat); Public – South Liverpool (1 seat); Public – Sefton (1 seat); Public – Knowsley (2 seats); Public – Rest of England and Wales (1 seat); Staff – Administration, Clerical and Managers (1 seat); and Staff - Scientists, Technicians and Allied Health Professionals (1 seat).

There were three uncontested seats: Si Jones was elected unopposed to North Liverpool constituency; Denise Richardson was elected unopposed to Rest of England and Wales constituency; and Rev Anne Lawlor was elected unopposed to Knowsley constituency.

Two seats did not receive a nomination: Public – Knowsley (1 seats) and Staff - Scientists, Technicians and Allied Health Professionals.

There were five seats contested: Public – Sefton – Carole McBride was duly elected; Public – Central Liverpool – Mary Doddridge was duly elected; Public – Central Liverpool – Thania Islam was duly elected; Public – South Liverpool – Janet Mayer was duly elected; and Staff - Administration, Clerical and Managers – Kate Hindle was duly elected. The following table set out the election results for Public – Sefton constituency.

Date of Election	Constituencies involved	No of Members in Constituency	No of Seats Contested	Number of Contestants	Election Turnout %
11 October 2018	Public – Sefton	1,249	1	2	4.8%
11 October 2018	Public – Central	2,784	2	3	3.9%
11 October 2018	Public - South	1,350	1	2	6.0%
11 October 2018	Staff - Administration, Clerical and Managers	536	1	2	23.3%

Lead governor

The trust had three Lead Governors over the period: Sheila Gwynn Adams, Public Governor until 12 June 2018; Dr Adel Soltan, Staff Governor from 12 June 2018 until 20 February 2019; and Kate Hindle, Staff Governor from 20 February 2019. The lead governor is the point of contact between NHS Improvement (NHSI) and the council, in circumstances only where it would be inappropriate for NHSI to contact the trust chair.

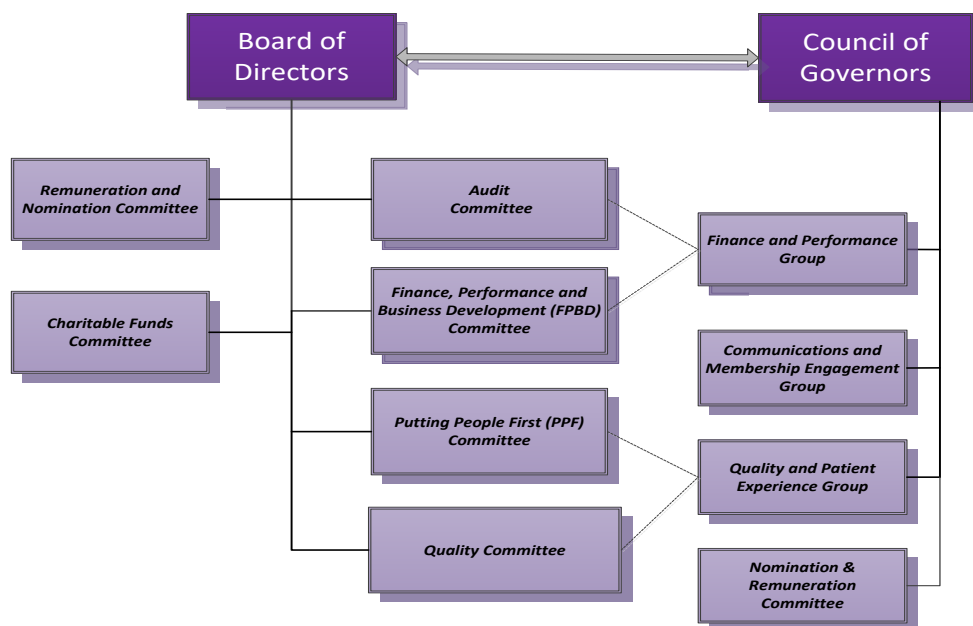
Role of the Council of Governors

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

- ❖ holding the non-executive directors to account individually and collectively for the performance of the board;
- ❖ the appointment and, if appropriate, removal the chair;
- ❖ the appointment and, if appropriate, remove the other non-executive directors;
- ❖ approve the remuneration and allowances, and other terms and conditions of office of the chair and other non-executive directors;
- ❖ approve the appointment of the chief executive on recommendation from the board nominations and remuneration committee;
- ❖ appoint, re-appoint and, if appropriate, remove the auditor;
- ❖ receive the annual report and accounts and any report on these provided by the auditor;
- ❖ approve any 'significant transactions' as defined within the trust's constitution;
- ❖ approve an application by the trust to enter into a merger, acquisition, separation or dissolution;
- ❖ decide whether the trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service in England, or performing its other functions; and
- ❖ approve amendments to the trust's constitution.

Council of Governors Group Structure

The Council agreed the new assurance sub-group structure at its meeting in April 2017. The sub-groups mirror the board committee structure (see diagram below) and support the governors in obtaining assurance on the operation of the trust. The 'sub-group' structure for the Council of Governors comprises of: a Communications and Membership Engagement Group; a Quality and Patient Experience Group; and a Finance and Performance Group. Each sub-group have their own terms of reference and are chaired by a governor and supported by Non-Executive Directors and Executive Directors/Managers; this provides the governors with additional opportunity to address any concerns they may have with non-executive directors that may have arisen during a board meeting or within the trust.



Communications and Membership Engagement Group: The purpose of the Group is to assist the council in the performance of its duties, including recommending objectives and strategy in the development of Communications and Membership matters, having regard to the interests of its Public & Staff members, its patients and other stakeholders.

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

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

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


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

There continues to be a positive and constructive working relationship between the council and the board of directors. Governors effectively fulfill their statutory duties and the council provides both constructive challenge and support to the board. Executive and non-executive directors regularly attend meetings of the council and governor groups in order to understand governors' views and concerns and all directors receive agenda for the council's meetings. The Board has a standing invitation to attend all meetings of the Council.

Governors' attendance at organised and supported events

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

During the year to compliment the councils understanding of the trust's activities, Governors attended the Patient-led assessments of the care environment (PLACE) which provides motivation for improvement by providing a clear message, directly from patients, about how the environment or services might be enhanced. The first 'Get Involved' event took place in August 2018 in partnership with Radio City and Governors were involved in promoting and discussing the activities of the trust with

the public. Governors also supported the launch of the trust's 'The Big Tiny Steps Appeal'  to raise £250,000 to introduce essential family facilities to make the new Neonatal Unit a truly first-class environment when it opens in 2020 and the ground-breaking event for the re-development of the neonatal unit.

Alongside the above activities two governors, Mary McDonald and Denise Richardson attend the trust's Experience Senate as governor representatives on the Senate and provide the Senate and Committee with insight into the needs of patients and their families.

The governors' continue to support the trust and engage with both the membership and the public across the trust's catchment areas attending events organised by the trust. Governors have actively sought to engage with patients and contribute to a process of improving services. Specific governor engagement externally has included; attendance at the Merseyside Council of Faiths and provided an update on future generations and attendance at MRANG events.

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

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

All directors' invited to attend at meetings of the council held during 2017/18 is set out below:

		Quarterly Meetings attended April 2017 to March 2018
Non-Executive Directors		
Robert Clarke	Non-Executive Chair ⁽¹⁾	4 of 4
Ian Haythornthwaite	Non-Executive Director & Vice Chair	0 of 0
Tony Okotie	Non-Executive Director & Senior Independent Director	4 of 4
Phil Huggon	Non-Executive Director	2 of 4
Ian Knight	Non-Executive Director	2 of 4
David Astley	Non-Executive Director	1 of 2
Susan Milner	Non-Executive Director	2 of 4
Jo Moore	Non-Executive Director	2 of 4
Louise Kenny	Non-Executive Director	0 of 0
Tracy Ellery	Non-Executive Director	0 of 0
Executive Directors		
Kathryn Thomson	Chief Executive	3 of 4
Michelle Turner	Director of Workforce and Marketing	4 of 4

<i>Jennifer Hannon</i>	Director of Finance	4 of 4
<i>Andrew Loughney</i>	Medical Director	4 of 4
<i>Loraine Turner</i>	Interim Director of Operations	1 of 1
<i>Jeffrey Johnston</i>	Director of Operations	2 of 3
<i>Julie King</i>	Acting Director of Nursing & Midwifery	0 of 1

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

Members

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

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

As at 31 March 2019 the trust had **10,891** members:

Public	Number
Central Liverpool	2785
North Liverpool	1577
South Liverpool	1344
Knowsley	1119
Sefton	1246
Rest of England and Wales	1439
Total public membership	9510
Staff	Number
Doctors	94
Nurses	325
Midwives	313
Scientists, technicians and allied healthcare professionals	149
Administrative, clerical, managers, ancillary and other support staff	500
Total staff membership	1381

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

A key component of our membership work seeks to improve the understanding of and involvement in patient experience, patient and public involvement, corporate social responsibility, equality, diversity and human rights and marketing and communication. Its focus is on improving what the trust knows about its members including what their interests are and how they would like to be involved with the trust. In this way we aim to improve the level and range of member engagement. Throughout the year governors sought to engage with as many people across the city to support the trust's Future

Generations Strategy. Engagement with members and the public take a number of forms, via direct email to member, or through social media such as Facebook and Twitter.

Members can contact governors and directors at the trust by:

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



Council of Governors Member & Public Engagement

3ii Remuneration report

Chair's annual statement on remuneration

This report includes details of the activity of the Board of Directors Nominations and Remuneration Committee and the Council of Governors Nominations Committee and Remunerations Committee.

For the purposes of the remuneration report the term senior managers relates to those persons in senior positions having authority or responsibility for directing or controlling the major activities of the trust and covers the chair, the executive and non-executive directors of the trust.

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

The committee made a number of decisions during the year relating the executive directors including: the appointment of a substantive Director of Nursing and Midwifery; the secondment of the substantive Medical Director and appointment of an Acting Medical Director; the appointment of a Deputy Chief Executive; and the review of performance of executive directors and their remuneration for further details see the paragraph 'Annual Report on Remuneration'.

Senior Managers' Remuneration Policy

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

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

The trust's executive directors are not employed under fixed term contractual arrangements and are required to give and receive either twelve or six months' notice under the terms of their contract of employment. Executive directors who are required to give and receive twelve months' notice are: Kathryn Thomson; Andrew Loughney; Michelle Turner; and executive directors who are required to give and receive six months' notice are Jennifer Hannon and Caron Lappin. Compensation payments payable to executive directors are in accordance with their contract, which entitles them to either twelve months' or six months' pay on termination by the trust. Both the employee and employer contribute to the NHS pension scheme and note 1.3 of the annual accounts provides an explanation of how pension liabilities are treated in the accounts.

The chair and non-executive directors are appointed by the council of governors for fixed terms of office, usually for an initial term of office of three years, following which they may be appointed for an additional term of three years. The chair and non-executive directors have a notice period of three months and are not entitled to compensation for loss of office.

The term of office of the current chair and non-executive directors are listed below:

	Commencement date	Term of Office expiry date
<i>Robert Clarke</i>	01 March 2016	28 February 2022 ⁽¹⁾
<i>Tony Okotie</i>	01 July 2015	30 June 2021 ⁽²⁾
<i>Phil Huggon</i>	04 April 2016	31 March 2021 ⁽³⁾
<i>Ian Knight</i>	04 April 2016	31 March 2021 ⁽³⁾
<i>Jo Moore</i>	04 April 2016	31 March 2022 ⁽⁴⁾
<i>Susan Milner</i>	01 June 2016	31 May 2022 ⁽⁵⁾
<i>Louise Kenny</i>	01 March 2019	30 April 2022 ⁽⁶⁾
<i>Tracy Ellery</i>	01 March 2019	30 April 2022 ⁽⁶⁾

Civil Service Remuneration Threshold

In the 2018/19 two (2017/18: two) the executive directors were paid more than the £150,000 threshold level which the Civil Service use as a threshold for approval by the Chief Secretary to the Treasury as set out in guidance issued by the Cabinet Office. The trust has satisfied itself that this level of remuneration is reasonable by comparison to remuneration in previous years and benchmarking against executive pay in other foundation trusts and the wider NHS. Details of the payments can be found in the tables below.

Annual report on remuneration

The Nominations and Remuneration Committee of the Board of Directors determines the remuneration, terms and conditions of the trust's chief executive and executive directors. It does so based on job evaluation, market intelligence and inflation alongside any guidance from national recommendations for NHS senior managers. The committee also considers executives' annual appraisals and achievement of the trust's corporate objectives for the year. In determining executive directors' remuneration the Committee has regard to the remuneration of other trust employees who hold contracts under terms and conditions agreed nationally and locally.

Each executive director has objectives set at the beginning of the financial year which are drawn from the trust's agreed corporate objectives. Performance against these objectives is reviewed annually by

the chief executive and details shared with the board's Nomination and Remuneration Committee. The chair appraises the chief executive who in turn appraises executive directors.

The membership of the board's nomination and remuneration Committee comprised the trust's Chair and the Non-Executive Directors. The trust secretary is secretary to the committee. At the committee's invitation and in accordance with its terms of reference, the chief executive (for the remuneration part of the meeting) and director of workforce and marketing attended the meeting. The committee met five during the year as follows:

	Number of meetings
Robert Clarke, Chair	5 of 5
Tony Okotie, Non-Executive Director	5 of 5
David Astley, Non-Executive Director	3 of 3
Phil Huggon, Non-Executive Director	5 of 5
Susan Milner, Non-Executive Director	5 of 5
Jo Moore, Non-Executive Director	5 of 5
Ian Knight, Non-Executive Director	5 of 5
Louise Kenny	1 of 1
Tracy Ellery	0 of 1
Kathryn Thomson, Chief Executive	5 of 5

During the year under review the committee met to discuss the composition of the executive team and the following decisions were made.

Director of Nursing and Midwifery: The committee considered a proposal from the chief executive to fill the director of nursing and midwifery vacancy left by the previous incumbent. To fulfil the trust's obligations in appointing a substantive director of nursing and midwifery in accordance with the trust constitution, the committee undertook an open and competitive recruitment process. This was undertaken with the support of Harvey Nash, external recruitment consultants. Following short-listing and interview the Committee agreed to appoint Caron Lappin to the role of director of nursing and midwifery, with effect from 16 July 2018.

Medical Director and Acting Medical Director: During the year under review, the Committee agreed to a proposal from the chief executive to allow for Dr Andrew Loughney to be seconded to the Royal Liverpool and Broadgreen University Teaching Hospitals Trust (RLBUTH). The secondment took the form of two days a week which was fully reimbursable from RLBUTH from 1 June 2018. From 8 March 2019 the committee agreed to extend the secondment to four days a week so that Dr Loughney could take up the post of medical director at RLBUTH until 1 October 2019. To support the post of medical director at the trust, the committee agreed to appoint Dr Devender Roberts as the trust's acting medical director for term of the secondment from 8 March 2019. Dr Roberts was, until that time the trust's deputy medical director.

Deputy Chief Executive: Following the decision to allow the Medical Director to be seconded to the Royal Liverpool and Broadgreen University Hospital Trust the committee appointed Michelle Turner as Deputy Chief Executive until 1 October 2019 or when Andrew Loughney's secondment ends.

Remuneration: The committee agreed an increase in the remuneration of the executive directors in line with guidance issued by NHS Improvement. The pay award amounted to a cost of living uplift for

2018/19 that provided for a flat rate consolidated uplift of £2075 payable to each senior manager/executive director from 1 April 2018.

Director of Operations: Following the resignation of Jeff Johnson from the office of Director of Operations on 25 February 2019, the committee commenced an open and transparent process to recruit to the substantive post. The committee noted the appointment by the Chief Executive of an Loraine Turner as interim director of operations from 18 February 2019. The Interim Director of Operations is a non-voting member of the Board of Directors and is required to attend all meetings of the Board. The appointment has been made under an agency arrangement whilst the appointment for the substantive post takes place.

Council of Governors Nomination and Remuneration Committee

The nomination and remuneration committee of the trust's council of governors oversees the appointment of the non-executive chair and non-executive directors to the Board; reviews the annual appraisal of the Chair and non-executive directors; and determines their remuneration and terms and conditions. The committee is chaired by the trust's chair and its members during the year were: public – Sheila Gwynn Adams replaced by Adel Soltan (Lead Governor), Liz Williams replaced by Mary Doddridge, Saad Al Shukri replaced by Denise Richardson; and Richard Roberts; Staff – Gill Walker; and appointed - Ana Alfirevic replaced by Mary McDonald.

The Committee met six times during the year to: review the performance appraisal of the chair and non-executive directors and determine any increase or changes to their remuneration and terms and conditions; consider the succession planning and skill mix of the non-executive directors on the board; consider and recommend the re-appointment of the Chair and non-executive directors; and consider and recommend the appointment of additional non-executive directors.

In determining the remuneration and terms and conditions of non-executive directors and the non-executive chair the committee did not propose an increase in remuneration or any changes to the terms and conditions of the non-executive directors and chair; however, a decision to equalise the pay of the non-executive directors was made which was approved by the Council of Governors which would take effect from 1 April 2019.

The Committee undertook a review of the skill mix of the non-executive director contingent on the board, following which and considering the key risks of the trust proposed the following recommendations to the Council of Governors that:

- ❖ Robert Clarke is re-appointed for an additional period of three years from 1 March 2019 to 28 February 2022. The Council of Governors approved the recommendation at its meeting on 24 October 2018.
- ❖ Tony Okotie is re-appointed for an additional period of three years from 1 July 2018 to 30 June 2021. The Council of Governors approved the recommendation at its meeting on 25 April 2018.
- ❖ Phil Huggon and Ian Knight are re-appointed for an additional period of two years from 1 April 2019 to 31 March 2021. The Council of Governors approved the recommendation at its meeting on 20 February 2019.
- ❖ Jo Moore is re-appointed for an additional period of three years from 1 April 2019 to 31 March 2022. The Council of Governors approved the recommendation at its meeting on 20 February 2019.

- ❖ Susan Milner is re-appointed for an additional period of three years from 1 April 2019 to 31 March 2022. The Council of Governors approved the recommendation at its meeting on 20 February 2019.
- ❖ Professor Louise Kenny and Tracy Ellery are appointed for an initial period of three years from 1 March 2019 to 30 April 2022. The Council of Governors approved the recommendation at its meeting on 20 February 2019.

The Council of Governors in considering the appointment of Professor Louise Kenny and Tracy Ellery noted that appropriate competitive processes were undertaken including the use of executive search agents Harvey Nash to support the recruitment. All appointments were subject to open advertisement via the national and regional press and online recruitment sites. In considering these new appointments the Committee considered the diversity of the board and the fit and proper person test for board members.

Senior Managers Remuneration and Pension

The audited remuneration and pension benefits of senior managers are disclosed in this report and can be found below. Accounting policies for pensions are set out in note 1.3. There are no entries in respect of pensions for Non-Executive Directors as they do not receive pensionable remuneration. Additionally there were no contributions to Stakeholder Pensions on behalf of any of the Directors of the trust.

Salary Entitlements of Senior Managers 2018/19		Salary and Fees	All Taxable Benefits	Annual Performance Related Bonuses	Long Term Performance Related Bonuses	All Pension-Related Benefits	Total	Expenses
Name	Position Held	(in bands of £5,000)	(total to the nearest £100)	(in bands of £5,000)	(in bands of £5,000)	(in bands of £2,500)	(in bands of £5,000)	(in bands of £100)
Kathryn Thomson	Chief Executive	165 - 170	-	-	-	-	165 - 170	-
Andrew Loughney	Medical Director & Deputy Chief Executive to the 7th March 2019 (1)	95 - 100	-	5 - 10	-	-	105 - 110	6 - 7
Devender Roberts	Acting Medical Director - from the 8th March 2019 (1)	0 - 5	-	0 - 5	-	-	5 - 10	-
Julie King	Acting Director of Nursing & Midwifery to the 15 th July 2018 (2)	40 – 45	-	-	-	-	40 – 45	-
Caron Lappin	Director of Nursing & Midwifery from the 16 th July 2018	80 – 85	-	-	-	55 – 57.5	135 – 140	-
Jennifer Hannon	Director of Finance	120 – 125	-	-	-	-	120 – 125	-
Michelle Turner	Director of Workforce & Marketing & Deputy Chief Executive (3)	115 – 120	-	-	-	-	115 – 120	1 – 2
Jeff Johnston	Director of Operations – to the 25 th February 2019 (4)	100 – 105	-	-	-	-	100 – 105	-
Robert Clarke	Chair	35 – 40	-	-	-	-	35 – 40	24 – 25
Ian Haythornthwaite	Vice Chair & Non-Executive Director to the 6 th April 2018	0 – 5	-	-	-	-	0 – 5	0 – 1
Ian Knight	Non-Executive Director	10 – 15	-	-	-	-	10 – 15	21 – 22
Tony Okotie	Non-Executive Director	10 – 15	-	-	-	-	10 – 15	5 – 6
David Astley	Non-Executive Director – to the 28 th September 2018	5 – 10	-	-	-	-	5 – 10	13 – 14
Phil Huggon	Non-Executive Director	10 – 15	-	-	-	-	10 – 15	11 – 12
Susan Milner	Non-Executive Director	10 – 15	-	-	-	-	10 – 15	2 – 3
Joanne Moore	Non-Executive Director & Vice Chair	10 – 15	-	-	-	-	10 – 15	4 – 5

Salary Entitlements of Senior Managers 2018/19 (continued)		Salary and Fees	All Taxable Benefits	Annual Performance Related Bonuses	Long Term Performance Related Bonuses	All Pension-Related Benefits	Total	Expenses
Name	Position Held	(in bands of £5,000)	(total to the nearest £100)	(in bands of £5,000)	(in bands of £5,000)	(in bands of £2,500)	(in bands of £5,000)	(in bands of £100)
Tracy Ellery	Non-Executive Director	0 – 5	-	-	-	-	0 – 5	-
Louise Kenny	Non-Executive Director	0 – 5	-	-	-	-	0 – 5	-

- (1) Dr Andrew Loughney went on secondment to the Royal Liverpool and Broadgreen University Hospitals NHS Trust from 1 June 2018 for two days a week, fully reimbursable and from 8 March 2019 4 days a week fully reimbursable. Dr Devender Roberts was appointed Acting Medical Director from 8 March 2019. The remuneration of Dr Loughney and Dr Roberts include Annual Performance Related Bonuses in relation to Clinical Excellence Awards they receive in relation to their clinical roles.
- (2) There are no Pension related Benefits figures for Julie King (past Director of Nursing & Midwifery) as she is not a member of the NHS pension scheme.
- (3) Michelle Turner was appointed to the additional role of Deputy Chief Executive from the 8th March 2019.
- (4) Jeff Johnson resigned from the office of Director of Operations on 25 February 2019.

Note: There are no Pension related Benefits figures for the majority of the Board as the NHS Pensions Agency advised inflation rate has increased from 1% in 2017/18 to 3% in 2018/19 causing negative values to be retrieved for the 2018/19 financial year. As all negative values are not considered a “benefit” they are excluded from the above remuneration table.

Band of Highest Paid Director's Remuneration (in band of £5,000)	165-170
Median Total Remuneration (£)	£31,925
Ratio	5.25

All Directors were in post for the full financial year unless stated above.

Other Arrangements 2018/19		Salary & Fees	Other Taxable Remuneration	Benefits in Kind	Pension Related Benefits	Total
Name	Position Held	(bands of £5,000)	(to nearest £100)	(to nearest £100)	(bands of £2,500)	(bands of £5,000)
Loraine Turner	Interim Director of Operations (from 18 February 2019) (1)	30 - 35	-	-	-	30 - 35

- (1) The disclosure relates to Loraine Turner who has provided interim cover for the role of Director of Operations. For further details please see the section ‘Annual report on remuneration’ above.

Salary Entitlements of Senior Managers 2017/18		Salary and Fees	All Taxable Benefits	Annual Performance Related Bonuses	Long Term Performance Related Bonuses	All Pension-Related Benefits	Total	Expenses
Name	Position Held	(in bands of £5,000)	(total to the nearest £100)	(in bands of £5,000)	(in bands of £5,000)	(in bands of £2,500)	(in bands of £5,000)	(in bands of £100)
Kathryn Thomson	Chief Executive	160 - 165	-	-	-	50 - 52.5	215 - 220	2 - 3
Andrew Loughney	Medical Director ⁽¹⁾	150 - 155	-	5 - 10	-	7.5 - 10	165 - 170	0 - 1
Doug Charlton	Director of Nursing & Midwifery In post to 30 November 2017 ⁽²⁾	110 - 115	-	-	-	-	110 - 115	-
Julie King	Acting Director of Nursing & Midwifery from 1 December 2017 ⁽³⁾	35 - 40	-	-	-	-	35 - 40	-
Vanessa Harris	Director of Finance In post to 31 January 2018	135 - 140	-	-	-	27.5 - 30	165 - 170	-
Jennifer Hannon	Interim Director of Strategy and Planning from 1 October 2017 to 31 January 2018	35 - 40	-	-	-	32.5 - 35	70 - 75	-
Jennifer Hannon	Director of Finance In post from 1 February 2018	15 - 20	-	-	-	35 - 37.5	55 - 60	-
Michelle Turner	Director of Workforce and Marketing	110 - 115	-	-	-	77.5 - 80	190 - 195	-
Jeffrey Johnston	Director of Operations	110 - 115	-	-	-	35 - 37.5	145 - 150	-
Robert Clarke	Non-Executive Chair	35 - 40	-	-	-	-	35 - 40	34 - 35
Ian Haythornthwaite	Vice Chair & Non-Executive Director	10 - 15	-	-	-	-	10 - 15	13 - 14
Ian Knight	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	18 - 19
Tony Okotie	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	38 - 39
David Astley	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	40 - 41
Phil Huggon	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	10 - 11
Susan Milner	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	2 - 3
Joanne Moore	Non-Executive Director	10 - 15	-	-	-	-	10 - 15	11 - 12

(1) Included within the salary and fees of Andrew Loughney (Medical Director) is £60,702 (0.40 WTE) in relation to his work in a clinical role. Dr Loughney's remuneration has been restated in 2018/19.

(2) There are no Pension related Benefits figures for Doug Charlton (Director of Nursing & Midwifery) as he has claimed his NHS pension during the 2017/18 financial year.

(3) There are no Pension related Benefits figures for Julie King (Director of Nursing & Midwifery) as she is not a member of the NHS pension scheme.

Band of Highest Paid Director's Remuneration (in band of £5,000)	160 - 165
Median Total Remuneration (£)	£31,723
Ratio	5.12

All Directors were in post for the full financial year unless stated above.

Pension Benefits

There are no entries in respect of pensions for Non-Executive Directors as they do not receive pensionable remuneration.

Name	Position Held	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at March 2019 (bands of £5,000)	Lump sum at age pension age related to accrued pension at 31 March 2019 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2018	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2019	Employer's contribution to stakeholder pension
		£000	£000	£000	£000	£000	£000	£000	£000
Kathryn Thomson	Chief Executive	(0 - 2.5)	(2.5 - 5)	70 - 75	210 - 215	1,400	131	1,573	-
Andrew Loughney	Medical Director & Deputy Chief Executive - to 7 March 2019	0 - 2.5	0 - 2.5	45 - 50	145 - 150	923	109	1,068	-
Devender Roberts	Acting Medical Director - from the 8th March 2019	(17.5 - 20)	(57.5 - 60)	45 - 50	135 - 140	847	6	965	-
Julie King	Acting Director of Nursing & Midwifery - to 15th July 2018 (1)	-	-	0	0	-	-	-	-
Caron Lappin	Director of Nursing & Midwifery - from the 16th July 2018	0 - 2.5	5 - 7.5	35 - 40	115 - 120	709	100	872	-
Jennifer Hannon	Director of Finance	(2.5 - 5)	0	5 - 10	0	89	0	70	-
Jeffrey Johnston	Director of Operations - to 25 February 2019	(5 - 7.5)	(20 - 22.5)	40 - 45	125 - 130	974	0	939	-
Michelle Turner	Director of Workforce & Marketing & Deputy Chief Executive (2)	(2.5 - 5)	(7.5 - 10)	45 - 50	140 - 145	958	49	1,036	-

(1) There are no Pension figures for Julie King (Director of Nursing & Midwifery) as she is not a member of the NHS pension scheme.

(2) Michelle Turner was appointed to the additional role of Deputy Chief Executive from the 8th March 2019.

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. Real increase in CETV reflects the increase in CETV effectively funded by the employer and uses movements in the Consumer Prices Index for the start and end of the period. The rate of inflation for 2018/19 was 3%.

Civil Service Remuneration Threshold

In the 2018/19 financial year 1 (2017/18: 2) of the Executive Directors were paid more than the £150,000 threshold level which the Civil Service use as a threshold for approval by the Chief Secretary to the Treasury as set out in guidance issued by the Cabinet Office. The trust has satisfied itself that this level of remuneration is reasonable by comparison to remuneration in previous years and benchmarking against Executive pay in other Foundation Trusts and the wider NHS.

Fair pay multiples

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

The banded remuneration of the highest paid director in Liverpool Women's NHS Foundation Trust in the financial year 2018/19 was £167,500 (2017/18, £162,500). This was 5.25 times (2017/18, 5.12) the median remuneration of the workforce, which was £31,925 (2017/18, £31,723). In 2018/19, 3 (2017/18, 6) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £166,276 to £244,379 (2017/18, £165,871 to £258,065).

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

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

Payments for loss of office

No individual who was a senior manager received a payment for loss of office during the financial year (2017/18, £nil).


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

Payments to past managers

No individual had received any payments of money or other assets who had not been a senior manager during the financial year but had previously been a senior manager at the trust (2017/18, £nil).

Governors' expenses

In the year 2018/19 expenses of £218 was claimed by Governors, (2017/18, £211)



Kathryn Thomson

Chief Executive

24 May 2019

3iii Staff report

Analysis of Average Staff Numbers and Costs

The trust's most valuable asset is its staff who deliver services that are safe, effective and efficient and achieve the best possible experience for patients and their families. The table below details the average number of staff engaged with the trust for the period 2018/19, as per the categories listed in the TAC template; for clarity, there are no staff engaged overseas. As at 31st March 2019, there were 9 staff on paid secondments to the EPR project, broken down as follows:

51.93%	Maternity, Neonatal and Clinical Support
24.87%	Gynaecology, Anaesthesia, Theatres and Genetics
14.63%	Corporate Support Services
8.58%	Hewitt Fertility Centre

*Percentage based on headcount of all staff

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

	Permanent Number	Other Number	2018/19 Total Number	2017/18 Total Number
Medical and dental	139	19	158	148
Ambulance staff	-	-	-	-
Administration and estates	261	20	281	283
Healthcare assistants and other support staff	164	14	178	178
Nursing, midwifery and health visiting staff	597	30	627	625
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	136	2	138	136
Healthcare science staff	-	-	-	-
Social care staff	-	-	-	-
Other	-	16	16	15
Total average numbers	1,297	101	1,398	1,385

Of which:

Number of employees (WTE) engaged on capital projects	10	5	15	10
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Breakdown of year end numbers of male/female staff

The trust workforce profile as at 31st March 2019 shows that 89.6% of staff employed at the trust is female and the remainder 10.4% is male. This gender split is broken down as below:

Group	Female	Male	Total Headcount
Executive Director	6	0	6
Chair & Non-Executive Directors	4	4	8
Medical	52	36	88
Senior Management	36	8	44
Staff	1243	108	1351
Grand Total	1341	156	1497

Staff Costs

	Permanent	Other	2018/19 Total	2017/18 Total
	£000	£000	£000	£000
Salaries and wages	51,904	2,179	54,083	55,287
Social security costs	4,642	-	4,642	4,474
Apprenticeship levy	245	-	245	219
Employer's contributions to NHS pensions	5,881	-	5,881	5,694
Pension cost - other	14	-	14	6
Other post-employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	22	-	22	111
Temporary staff	-	2,029	2,029	853
Total gross staff costs	62,708	4,208	66,916	66,644
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	62,708	4,208	66,916	66,644
Of which				
Costs capitalised as part of assets	507	395	902	210

Sickness Absence Data

The sickness absence rate of staff within the organisation over the last 3 years is detailed below:

Financial Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Cum Year End
16 - 17 Sickness	4.42%	3.51%	3.05%	3.09%	4.61%	5.03%	5.16%	5.88%	6.32%	5.92%	5.56%	5.71%	4.96%
17 - 18 Sickness	4.64%	5.17%	4.56%	4.05%	4.51%	3.26%	4.15%	4.29%	4.28%	5.58%	5.23%	4.66%	4.66%
18 - 19 Sickness	4.52%	3.61%	4.34%	4.09%	4.27%	4.23%	3.63%	4.97%	5.05%	5.22%	5.75%	5.60%	4.70%

The above table shows that in 2018/19 the cumulative year end figure has increased slightly from 4.66% in 2017/18 to 4.7%. Sickness levels remain above the trust target of 4.5%.

A sustained focus on driving down sickness absence continues as our cumulative financial year to date position (at December 18) remains above the 4.5% target at 4.66%. We have participated in the NHSI sickness improvement project and have identified three work stream areas to target over the next 6 months. Specifically, these are 'Keep Hydrated', 'Communications' and 'Stress'. We continue to use an outsourced physiotherapy and occupational health service and have delivered proactive physiotherapy sessions in clinical areas with the highest reported levels of MSK related absence.

The 3 main reasons for sickness absence in 2017/18 were stress, musculoskeletal and 'other known causes'.

	2015/16	2016/17	2017/18
Stress / Depression / Anxiety	21.0%	23.8%	33.10%

Staff Policies & Actions Applied During the Financial Year

During the last financial year there have been 18 ratified new or revised policies. There continues to be an HR Policy Audit Schedule in place. An ongoing policy review group with staff side partners continues to ensure that staff side are able to input into policies at an early stage.

Two Freedom to Speak Up Guardian roles are now fully embedded within the trust, together with a Guardian of Safe Working. Alongside this, the trust has commenced a journey towards adopting a “Fair & Just Culture” – initial engagement activities have included 9 colleagues attending training and book clubs have commenced with colleagues attending to understand the ethos that underpins the Fair & Just programme for the trust. A project team is now in place and training courses for managers will commence later in 2019.

The trust has an over-arching Equality, Diversity and Human Rights policy which sets out our commitment to becoming an inclusive organisation in all aspects of employment and all aspects of service delivery. The trust continues to be accredited as a “Disability Confident Employer” and is committed to supporting staff to gain access to employment and maintain employment.

In December 2018 the trust ran a pre-employment programme to support people from the local community back into work.

The Attendance Management Policy continues to articulate how we support staff with disabilities via reasonable adjustments. During the last year training was undertaken by a number of line managers in understanding and applying reasonable adjustments. The Recruitment & Selection policy supports all staff, including disabled employees in relation to promotion opportunities. In relation to career development and training the PDR policy and Study Leave policy also ensure that staff with a disability are not discriminated against.

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

The trust continues to engage more formally with its staff and its recognised staff side organisations through the Partnership Forum and the Joint Local Negotiating Committee (JLNC).

The trust is proud of its excellent working relationships with its staff side organisations and continues to work productively with the Staff Side Chair who is a midwife.

The trust has monthly briefing sessions on its key operational and strategic priorities. This is complemented by a formal programme of Staff Side and Medical Director ‘walkabouts’ and an executive visibility programme as well as informal opportunities to meet with the Chief Executive at ‘coffee mornings’. Specific briefings have continued in relation to the future strategic direction of the trust and the timescales for public consultation.

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

During the year, the trust's Health and Safety Manager continued to develop, review and implement health and safety policies and procedures to meet both internal and external requirements in order to keep our patients, staff and visitors safe. Monitoring of health and safety related non-clinical incidents was carried out throughout the year and identifiable trends and RIDDORs investigated and acted upon. The Health & Safety Committee and supporting risk management working groups aim to identify and mitigate risk through lessons learned to reduce accidents and incidents, improve health and safety awareness, provide a broad base of expertise and experience for solving problems and in engaging staff, so that concerns can be raised and addressed, as appropriate.

In relation to occupational health, the service has been outsourced since April 2017 to Aintree University Hospitals Foundation Trust. The service provision remains responsive service, delivering on key performance indicators as well as offering additional services such as 'employee wellbeing health checks'. The flu campaign was successfully completed with 77% of frontline staff vaccinated.

We have an active Health and Wellbeing Committee which is focused on mental health and stress and we have trained a cohort of mental health first aiders. This group complements our existing 'Dignity at Work' advisors who provide peer support for staff with concerns about bullying and harassment. An annual Health & Wellbeing day continues to act as a focus point in the calendar.

There are a number of staff policies which support Fraud Prevention, including Disciplinary, Job Planning for Consultant Medical Staff, Job Planning for SAS Doctors, Recruitment & Selection policy. There were actions relating to rest breaks for agency staff and the recommendations have been implemented. The Whistleblowing Policy also references mechanisms whereby staff can raise concerns around fraud issues both internally and externally. The trust's counter-fraud team also contribute to the trust Induction programme to ensure all new starters are aware of their responsibilities and how to raise such concerns.

Staff Survey Results 2018

The trust is committed to listening to the views of our staff and recognising their achievements on a regular basis. We believe that motivated and engaged staff delivers better outcomes for our patients and our on-going aspiration is to improve levels of staff engagement on a year on year basis, as measured by the NHS Staff Survey.

The NHS Staff Survey is a core tool for the trust to engage consistently with our staff each year to identify what is important to them and then take action to address identified issues. In 2018, we continued to opt for a full survey of all our staff and received a positive response rate of 63%, up 2%.

It is important to note that the reporting within the survey has changed this year. This follows a review by the Staff Survey Coordination Centre in 2017. A central change is the creation of 10 themes to replace the many Key Findings (KF's) previously reported upon. All themes will be consistently scored on a 0-10pt scale.

The table below indicates the score for the trust for each of the ten indicators for the current and previous three years:

To aid review:

- **Boxes shaded green** indicate a score matching the “best” score for the Theme amongst our comparator group.
- **Boxes shaded in amber** indicate a score for the Theme which is below the average for our comparator group.
- **Boxes shaded in red** indicate a score matching the “worst” score for the Theme amongst our comparator group.
- **Boxes shared in grey** indicate a score which is above the “average” score for the Theme, but not “best” amongst our comparator group (Specialist Acute Trusts).

Theme	2015	2016	2017	2018
1. Equality, diversity & inclusion	9.5	9.5	9.4	9.5
2. Health & wellbeing	6.4	6.3	6.3	6.3
3. Immediate managers	6.8	6.7	6.7	6.8
4. Morale	---	---	---	6.1
5. Quality of appraisals	4.9	4.9	5.0	5.2
6. Quality of care	7.6	7.6	7.6	7.6
7. Safe environment – Bullying & harassment	8.5	8.4	8.3	8.6
8. Safe environment – Violence	9.8	9.9	9.8	9.9
9. Safety culture	6.8	6.6	6.7	6.7
10. Staff engagement	7.1	6.9	7.0	7.0

On a positive note, we can see that our scores for “ED&I” and “Safe Environment – Violence” have identified the trust as “best” – both scores have increased marginally from last year and show our continued focus in these areas.

More concerning, however, is that 6 of the 10 theme scores are sitting below average – one of which is ranked “worst” – “safety culture”. Whilst this theme is tracking below average, it is of equal concern that the score has remained static in recent years.

It is perhaps unsurprising for “Immediate Managers” and “Morale” to track below average, given that we had several senior leadership changes and organisational moves that had not yet occurred at the time the survey was completed.

In terms of “quality of appraisals”, whilst the score is tracking below average it is worth noting that the score itself (5.2) has increased from 2017 (5.0) and we are therefore seeing a slight positive trend (refer to the table below for further details). Given that the new pay progression process has completion of PDR’s as a KPI – it is important that quality as well as quantity is monitored to ensure we can see continued improvement here.

The results of the staff survey demonstrate that whilst stability remains, focus at all levels of the organisation is required to “move the dial” and begin to see improvement across all areas, most specifically those areas where our scores are “below average” or “worst”.

The table below indicates how the trust compares to its benchmarking group (Specialist Acute Trusts):

Theme	2018		2017		2016	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, diversity & inclusion	9.5	9.3	9.4	9.3	9.5	9.3
Health & wellbeing	6.3	6.3	6.3	6.3	6.3	6.3
Immediate managers	6.8	7.0	6.7	6.9	6.7	6.9
Morale	6.1	6.3	---	---	---	---
Quality of appraisals	5.2	5.7	5.0	5.5	4.9	5.5
Quality of care	7.6	7.8	7.6	7.7	7.6	7.8
Safe environment – Bullying & harassment	8.6	8.2	8.3	8.4	8.4	8.3
Safe environment – Violence	9.9	9.7	9.8	9.7	9.9	9.7
Safety culture	6.7	6.9	6.7	6.9	6.6	6.9
Staff engagement	7.0	7.4	7.0	7.4	6.9	7.5

The revised “Putting our People First Strategy” has recently been approved and will be formally launched in the coming weeks.

This strategy will be underpinned by both a trust-wide and divisionally focussed people plans, ensuring resources and time are given to driving improvement in the key areas identified both within this report and in our “business as usual” management of the Trust. It will be important for divisional boards and their management teams to “own” the people plans for their division.

Activities which are underway will continue to be reviewed for their effectiveness and will be adjusted where needed to ensure we gain maximum value, including:

- **Retention working group** – focussed on nursing and midwifery. The trust has looked in detail at turnover trends within the nursing and midwifery workforce and identified a number of projects with the objective of reducing turnover, including:
 - Supporting staff at the start of their employment.
 - Supporting staff with career planning.
 - Supporting more flexible ways to ‘retire and return’.
- **Absence Management group** – focussed on reducing absence trust-wide
- **Health & Wellbeing Group** – focussed on identifying ways to improve H&W in the workplace.

- **Development programmes** – including:
 - We are reviewing how we can maximise the contribution of our specialist nurse / midwife workforce and have gained funding from Health Education England for the development of the new role of Advanced Midwifery Practitioner.
 - Review of our support worker workforce, to ensure there is career progression for these staff groups and we are utilising resources of qualified staff most effectively.
 - In partnership with neighbouring trusts, we will support Nurse Associate in training roles, and LWH will be the pilot trust for the development of a comparable role within maternity, currently under development by the NMC.
 - We continue to identify and develop workforce leaders of the future via our talent grid, leadership programme and Aspirant Manager programme.
- **Listening Events** – to driving understanding and provide an opportunity to garner ideas.
- **Surveys** – annual national survey and quarterly “Listening to our People” will be supplemented with “Face to Face” mini pulse surveys to temperature check key messages.
- **Reward & Recognition** – review of our recognition arrangements.
- **Talent Mapping & Succession Planning** – a method will be devised for an annual talent mapping process. This will feed career development discussions, performance discussions and succession planning.
- **Friends & Family** – the Nursing & Midwifery Strategy is currently in the development stages and will have a real focus on improving opinion on recommending treatment at the trust to friends and family. Further insight and opportunities to shift perceptions will be garnered through the staff survey processes noted above throughout the year and any Divisional activity will be driven through the Divisional People plans.

Trade Union Facility Time

The data available to the trust for trade union facility time and reported below relates to the period 1 April 2017 to 31 March 2018.

Table 1 – Relevant Union Officials

Total number of employees who were relevant union officials during the relevant period:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
7	5.70

Table 2 – Percentage of time spent on facility time

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

Percentage of time	Number of employees
0%	0
1 – 50%	7
51 – 99%	0
100%	0

Table 3 – Percentage of pay bill spent on facility time

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

First Column	Amount
Provide the total cost of facility time	£16,811.47
Provide the total pay bill	£66,500,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.03%

Table 4 – Paid trade union activities

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

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	3.94%
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Expenditure of Consultancy

Consultancy costs for the financial year 2018/19 was £176K (2017/18, £313K).

Off-Payroll Arrangements

The use of off-payroll arrangements is covered by the trust's Temporary Staffing Policy which details the controls that the trust has in place. These controls include that all bookings must be made via the temporary staffing team, based in the HR Department, and agency requests can only be taken forward using the trust's list of approved suppliers.

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

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

Off-payroll engagements as of 31 March 2019, for more than £245 per day and that last for longer than six months:

	2018/19 Number of engagements
Number of existing engagements as of 31 Mar 2019	5
Of which:	
Number that have existed for less than one year at the time of reporting	-
Number that have existed for between one and two years at the time of reporting	-
Number that have existed for between two and three years at the time of reporting	3
Number that have existed for between three and four years at the time of reporting	1
Number that have existed for four or more years at the time of reporting	1

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

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019, for more than £245 per day and that last for longer than six months:

	2017/18 Number of engagements
Number of new engagements, or those that reached six months in duration between 01 April 2018 and 31 March 2019	5
Of which:	
Number assessed as within the scope of IR35	-
Number assessed as not within the scope of IR35	5
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	-
Number of engagements reassessed for consistency / assurance purposes during the year	-
Number of engagements that saw a change to IR35 status following the consistency review	-

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019:

	Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	-
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	18

Reporting of compensation schemes - exit packages 2018/19

In the 2018/19 financial year, there have been 2 other departures under the Mutually Agreed Resignation Scheme (MARS) totalling £13k. The table below discloses the compulsory redundancies and other departures, highlighting the staff numbers that fall within the differing cost ranges in the 2018/19 financial year.

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	2	2	4
£10,001 - £25,000	-	-	-
£25,001 - 50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-

£150,001 - £200,000	-
>£200,000	-
Total number of exit packages by type	2
Total resource cost (£)	£9,000

-	-
-	-
2	4
£13,000	£22,000

Reporting of compensation schemes - exit packages 2018/19

In the 2018/19 financial year, there have been 2 other departures under the Mutually Agreed Resignation Scheme (MARS) totalling £13k. The table below discloses the compulsory redundancies and other departures, highlighting the staff numbers that fall within the differing cost ranges in the 2018/19 financial year

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

Number of other departures agreed	Total number of exit packages
Number	Number
2	2
2	2
2	2
1	1
-	-
-	-
-	-
7	7
£166,000	£166,000

Exit packages: other (non-compulsory) departure payments

	2018/19	
	Payments agreed	Total value of agreements
	Number	£000
Mutually agreed resignations (MARS) contractual costs	2	13
Contractual payments in lieu of notice	0	0
Total	2	13

2017/18	
Payments agreed	Total value of agreements
Number	£000
5	110
2	56
7	166

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

Meeting the code of governance

The board continues to seek to comply with the new code and has reviewed compliance against the provisions of the code.

Further details of how the trust has applied the Code principles and complied with its provisions are set out within this section and throughout this annual report. The table below sets out NHS Improvement's Code of Governance where the trust is required to provide supporting explanations.

For the year 2018/19 the trust can confirm that it complies with the provisions of the Code with the following exception:

Code provision B.1.2: At least half the board of directors, excluding the chairperson, should comprise non-executive directors determined by the board to be independent. **Response:** During the year 2018/19, the trust was non-compliant with regards to the number of non-executive director's to executive directors for a period from 28 September 2018 to 1 March 2019. This was due to the resignation of David Astley as a non-executive director which reduced the number of non-executive directors from six to five whilst the trust had in post six executive directors. The council of governors undertook an open and transparent appointment process to appoint to two additional non-executive directors, following which Louise Kenny and Tracy Ellery were appointed from 1 March 2019; see section 3ii remuneration report.

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

Code provision	Trust position	Comply or explain?
A.1.1 The Board of Directors (Board) should meet sufficiently regularly to discharge its duties effectively. There should be a schedule of matters specifically reserved for its decision. The schedule should include a clear statement detailing the roles and responsibilities of the Council of Governors (Council). This statement should also describe how any disagreements between the Council and Board will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board and Council operate, including a summary of the types of decisions to be taken by each and which are delegated to the executive management of the Board. These arrangements should be kept under review at least annually.	<p>In 2018/19 the board of directors met formally on 9 occasions and met as a workshop on 4 occasions. Matters reserved for the Board, including the types of decisions it takes and which are delegated to committees and executive management, are included in the trust's Corporate Governance Manual and summarised in the 3i Director's report and 3vii Annual Governance Statement.</p> <p>The general duties of governors are stated in the trust's constitution. Matters for which the Council of Governors is responsible and makes decisions on is outlined in the section of this report in respect of the Council.</p> <p>A general statement on the handling of disputes is contained in the trust's constitution.</p>	Comply
A.1.2 The annual report should identify the Chair, deputy Chair, Chief Executive, Senior	This information is provided in the following sections: 3i(a) Director's report	Comply

Code provision	Trust position	Comply or explain?
Independent Director (SID) and the Chair and members of the Nominations, Audit and Remuneration Committees. It should also set out the number of meetings of the Board and those committees and individual attendance by directors.	3i(b) Audit Committee report 3i(c) Board of Directors pen portraits 3ii Remuneration report 3vii Annual Governance Statement.	
A.5.3 The annual report should identify the members of the Council, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. A record should be kept of the number of meetings of the Council and the attendance of individual Governors and it should be made available to members on request.	Full details of Governors and their terms of appointment is given in section 3i(d) Council of Governors & Members. The trust had three Lead Governors over the period: Sheila Gwynn Adams, Public Governor until 12 June 2018; Dr Adel Soltan, Staff Governor from 12 June 2018 until 20 February 2019; and Kate Hindle, Staff Governor from 20 February 2019.	Comply
B.1.1 The Board should identify in the annual report each Non-Executive Director (NED) it considers to be independent. The Board should determine whether the director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement. The Board should state its reasons if it determines that a director is independent despite the existence of relationships or circumstances which may appear relevant to its determination.	Non-Executive Directors are asked each year to confirm their independence or otherwise as per the criteria outlined in the Code of Governance. The Board believes that the non-executive directors are independent.	Comply
B.1.4 The Board should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the Trust. Both statements should also be available on the trust's website.	Section 3i(c) Board of Directors pen portraits	Comply
B.2.10 A separate section of the annual report should describe the work of the nominations committee/s, including the process it has used in relation to Board	Section 3ii Remuneration report	Comply

Code provision	Trust position	Comply or explain?
appointments. The main role and responsibilities of the nominations committee should be set out in publicly available, written terms of reference.	The committees' terms of reference are available on request from Trust Secretary at communications@lwh.nhs.uk .	
B.3.1 For the appointment of a Chair, the nominations committee should prepare a job specification defining the role and capabilities required including an assessment of the time commitment expected, recognising the need for availability in the event of emergencies. A Chair's other significant commitments should be disclosed to the Council before appointment and included in the annual report. Changes to such commitments should be reported to the Council as they arise, and included in the next annual report. No individual, simultaneously whilst being a Chair of a Foundation Trust, should be the substantive Chair of another Foundation Trust.	<p>The trust's constitution provides for the job description and person specification of the Chair to be set by the Board.</p> <p>The significant commitments of those recommended for appointment as Chair are disclosed to the Council before appointment.</p> <p>The Chair's other significant commitments are included Section 3i(c) Board of Directors pen portraits</p> <p>Changes to the Chair's commitments are reported to the Council of Governors as they arise.</p> <p>The trust's Chair has not been the substantive Chair of another Foundation trust during his tenure.</p>	Comply
B.5.6 Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Section 3i (d) Council of Governors & Members.	Comply
B.6.1 The Board should state in the annual report how performance evaluation of the Board, its committees, and its directors, including the Chair, has been conducted, bearing in mind the desirability for independent assessment, and the reason why the Trust adopted a particular method of performance evaluation.	3i(a) Director's report 3i(b) Audit Committee report 3ii Remuneration report 3vii Annual Governance Statement.	Comply
B.6.2 Evaluation of the Board should be externally facilitated at least every three years. The evaluation needs to be carried out against the Board leadership and governance framework set out by Monitor. The external facilitator should be identified in the annual	Evaluation of the Board was undertaken during 2014/15 based on Monitor's 'Well-led' framework. Deloitte LLP was commissioned as external facilitators for this work. Addition work on the well led review to be undertaken in 2016/7 relating to the effectiveness of the Board of Directors. Deloitte's LLP have no other connection with the	Comply

Code provision	Trust position	Comply or explain?
report and a statement made as to whether they have any other connection to the Trust.	trust. Having undertaken the additional review in 2016/17 the Board anticipates undertaking an evaluation in 2019.	
C.1.1 The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	3i(a) Director's report 3i(b) Auditors report 3vii Annual Governance Statement	Comply
C.2.1 The Board should maintain continuous oversight of the effectiveness of the trust's risk management and internal control systems and should report to members and governors that they have done so. A regular review should cover all material controls, including financial, operational and compliance controls.	An annual review of the system of internal control is conducted on the instruction of the trust's Audit Committee by internal auditors. 3i(b) Audit Committee report 3vii Annual Governance Statement.	Comply
C.2.2 A Trust should disclose in the annual report if it has an internal audit function, how the function is structured and what role it performs or if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	3i(b) Audit Committee report 3vii Annual Governance Statement	Comply
C.3.5 If the Council does not accept the Audit Committee's recommendation, the Board should include in the annual report a statement from the Audit Committee explaining the recommendation and should set out reasons why the Council has taken a different position. <i>[external auditor appointment]</i>	3i(b) Audit Committee report	Comply

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

3v Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes: Quality of care; Finance and use of resources; Operational performance; Strategic change; and Leadership and improvement capability (well-led).

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

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place. Information for the prior year and first two quarters of 2016/17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

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

This segmentation information is the trust's position as at 31 March 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

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

Area	Metric	2018/19 Scores				2017/18 Scores				2016/17 Scores	
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Financial Sustainability	Capital Service Capacity	4	4	4	4	4	4	4	4	4	4
	Liquidity	4	4	4	4	4	4	4	3	4	4
Financial efficiency	I&E margin	1	3	4	4	4	4	4	4	4	4
Financial Controls	Distance from financial plan	1	1	1	1	1	1	1	1	1	1
	Agency Spend	1	1	1	1	1	1	1	1	1	1
Overall Scoring		3	3	3	3	3	3	3	3	3	3

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

3vi Statement of the accounting officer's responsibilities

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

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

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

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

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

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



Kathryn Thomson
Chief Executive
24 May 2019

3vii Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

A system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. A system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Liverpool Women's NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. A system of internal control has been in place in Liverpool Women's NHS Foundation Trust for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

- ❖ The director of finance has responsibility for financial governance and associated financial risk;
- ❖ The director of nursing and midwifery has joint authority for clinical governance with the medical director and absolute delegated authority for quality, improvement, risk management and complaints, and is executive lead for health and safety, safeguarding and infection control;
- ❖ The medical director is responsible for all aspects of clinical risk management and clinical governance and has responsibility for the trust's quality report;
- ❖ The director of operations is responsible for emergency planning;
- ❖ All executive directors have responsibility for the management of strategic and operational risks within individual portfolios. These responsibilities include the maintenance of the corporate risk register and the promotion of risk management to staff within their areas of accountability. Executive directors have responsibility for monitoring their own systems to ensure they are robust, for accountability, critical challenge and oversight of risk.

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

new structure was formally implemented with effect from Monday 3rd December 2018 with a transitional phase for full implementation on 1 April 2019. The three clinical divisions are: Division of Family Health - Comprising the Maternity and Neonatal directorates; Division of Gynaecology - Comprising the Gynaecology and Hewitt Fertility Centre directorates; and Division of Clinical Support Services - Comprising Pharmacy, Therapies, Theatres, Genetics, all other clinical support services, as well as the Administration and Access Centre. Each Division is led by Clinical Director(s), Head of Nursing/Midwifery and a Divisional Manager and report to the executive team through a newly constituted Trust Management Group.

A framework for managing risks across the trust is provided through the risk management strategy. It provides a clear, structured and systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes at all levels across the organisation.

A committee structure supports the trust's integrated governance processes and facilitates the appropriate identification of risk ensuring it is properly mitigated, monitored and reported. As Chief Executive, I chair the Corporate Risk Committee which coordinates and prioritises all categories of risk management. In fulfilling its role the committee meets monthly to review all significant corporate risks and considers whether any risks need to be escalated to the relevant committee/senate and/or entered onto the Board Assurance Framework (BAF). The committee is also responsible for ensuring that any lessons learned arising from the corporate risk register is communicated across the trust. The Corporate Risk Committee reports to the Quality Committee of the Board of Directors.

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

Details of all known adverse incidents are captured within the trust using a centralised system (ULYSSES, SAFEGUARD). Data from this system informs trend reports to the Board, Board committees and to subordinate senates/committees and services. Reports focus on the performance management of actions and recommendations and seek to eliminate any risk of false assurance. During the year a number of 'deep dives' had been undertaken to test how well embedded actions had been implemented following the investigation of a serious untoward incident. This process will continue in respect of a small, random selection of incidents to ensure that actions planned following their investigation are properly and fully embedded within the organisation.

The audit committee has overarching responsibility for the management of risk systems and processes within the organisation. The trust's other assurance committees: Quality Committee; Finance, Performance and Business Development Committee; and Putting People First Committee monitor the trust's BAF and have oversight of progress against action plans prepared in respect of the key strategic

risks. Each committee reports directly to the board. The Board reviews the BAF as a minimum quarterly and receives escalated reporting of changes to the risks from its assurance committees as required. These are reported to the Board through a chairs report produced by the non-executive director chair of each committee.

The BAF has been reviewed and considered by its internal auditors in preparing their Head of Internal Audit Opinion and Annual Report for 2018/19. In this opinion Substantial Assurance was given that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

Developing a risk aware and risk sensitive culture remains an on-going aim for the trust. This is to enable risk management and risk management decisions to occur as near as practicable to the source of the risk. It is also to facilitate appropriate escalation of those risks that cannot be dealt with at the local level.

The risk and control framework

The trust's BAF is the principal mechanism through which the organisation identifies, quantifies, prioritises and monitors the trust's significant risks to the achievement of its strategic objectives. The significant operational risks, both in-year and on-going, are contained within the trust's corporate risk register. The register drives a dynamic process that changes in response to the changing profile and status of the risks it contains. The risks on the BAF are reported in the main body of the annual report; section 2i Overview of performance.

Significant risks to the organisation are identified through risk reporting and through the work of committees which are informed by the trust's risk management and quality improvement functions. The board agrees and reviews the risks outlined in the BAF and makes informed decisions about risk treatments and interventions based on the best intelligence available. In this way the Board is able to determine its risk appetite. Decisions relating to the organisation's response to individual identified risks are determined by the trust's appetite.

During the year the trust's biggest risk, as described in the BAF, was that in order to be clinically and financially sustainable the trust would need to undertake major change over an extended time period, ensuring the best clinical outcomes for patients, maintaining a well-led motivated and engaged workforce, delivering the trust's financial plans, delivering a positive patient experience and learning from significant events.

During 2018/19 the trust continued to operate a model of integrated governance. This best practice model is defined by having in place effective systems, processes and behaviours governing quality assurance and operating within transparency that encourages challenge. There are defined clinical and patient safety performance metrics within the trust's broad governance work-streams which are monitored through the trust's internal control systems (clinical governance) and external assurance(s), accreditation and regulation including NHS Improvement, the Care Quality Commission and the Human fertility and Embryology Authority (HfEA).

The quality of performance information used across the trust is assessed using a structured approach. All patient NHS numbers are checked and validated against national data on a weekly basis, patient level activity data is validated against plan on a monthly basis, including consistency checking across

hospital/clinical patient record systems and a central data warehouse, and datasets are verified through two external sources. Our data is then further reviewed to compare against other providers to ensure our clinical performance is satisfactory or better using data provided via CHKS, an independent provider of healthcare benchmarking intelligence and for validation against national expectations using data provided by SUS (Secondary Uses Service) which is part of the NHS. Summary and data level reports are provided to our clinical divisions following a quality checking process to allow them to correct any errors and review data entry processes. A performance report relevant to the specific areas of responsibility is then reviewed at the trust's assurance committees: Finance, Performance and Business Development Committee; Quality Committee and Putting People First Committee and ultimately by the board of directors.

The trust operates a principle whereby risks are identified early and are resolved as close as possible to where the risk originated. The dynamic risk register in place is actively monitored by senior managers within clinical and corporate departments and serious risks and/or risks that have remained unresolved for a period of time are escalated for action as appropriate. The risk register operates as part of a coordinated process within the trust's BAF.

The reporting of incidents, including serious incidents, is actively encouraged. Reporting is via Ulysses, the trust's web-based incident reporting system. During the year the number of incidents reported, and learning from reported incidents, has increased. Any decline in quality would be detected via a triangulation of intelligence from a number of valid sources including incidents, complaints, contact with our Patient Advice and Liaison Service, dialogue with patient representative organisations, input from our primary care stakeholders and feedback from GPs, alongside clinical performance benchmarking data.

Quality and equality impact assessments are integrated into the core business of the trust and has been adopted as a prerequisite for all significant cost improvement programmes with sign-off provided by the Medical Director and the Director of Nursing and Midwifery.

All trust policy documents go through a streamlined and robust approvals process which ensures appropriate standardisation of documentation, including completion of equality impact assessments.

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

Patients continue to be involved in the risk management process in a number of ways. A patient story is told at the beginning of each meeting of the Board of Directors, sometimes: by the patient in person; via a video; audio recording; or on the patients' behalf by the Director of Nursing and Midwifery or a clinical member of trust staff. Organisational learning from each story told is identified and actions taken are reported to the Board to disseminate across the trust for learning. The trust also considers complaints, litigation and PALS (Patient Advice and Liaison Service) feedback as important indicators of quality. The board committees receive reports detailing this feedback.

Managing Conflict of Interest

The trust has adopted a Managing Conflicts of Interest policy in line with guidance published NHS England. An up-to-date register of interests for decision-making staff is included on the trust's website.

Workforce Strategies

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

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

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

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

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

The board is satisfied with the timeliness and accuracy of information to assess risks to compliance with the foundation trust's licence and the degree of rigour of oversight it has over performance.

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

Assurance committees:

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

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

Each assurance committee is chaired by a non-executive director and has terms of reference setting out its duties and authority, including matters delegated to it by the board of directors. Membership of the audit committee and nomination and remuneration Committee comprise solely of non-executive directors.

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

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

Non-executive directors are responsible for bringing independence, external perspectives, skills and challenge to strategy development. They hold the executive directors to account for the delivery of the trust's strategy, offer purposeful, constructive scrutiny and challenge, and chair or participate as

members of the assurance committees that support accountability. Non-executive directors are held to account individually and collectively by the council of governors for the effectiveness of the collective board. They seek to actively support and promote a healthy culture for the organisation and reflect this in their own behaviour whilst providing visible leadership in developing a healthy culture so that staff believes they provide a safe point of access to the board for raising concerns.

The chief executive is responsible for leading the strategy development process and delivery of the strategy and acts as the trust's accountable officer in the establishment of effective performance management arrangements and controls.

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

To assure itself of the validity of its annual governance statement required under NHS FT Condition 4 the board of directors receives the annual assurance statement and associated evidence. In previous annual reports I had reported that to ensure that the trust continues to meet its statutory and regulatory obligations, and in response to the findings of an external review by Deloitte, the trust regularly reviews of its governance arrangements.

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

The trust is able to assure itself of the validity of its Annual Governance Statement by referring to the Board's review of effectiveness, the annual reports of assurance committees, reports of its internal and external auditors and reviews of the trust's performance and compliance against national and local standards.

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

The trust's Cost Improvement Programme (CIP) includes a process of quality impact assessment (QIA) and equality impact assessment (EIA). These assessments must be approved by the Medical Director and Director of Nursing and Midwifery with a confirmation that the CIP scheme will not have a negative impact on patient safety and quality. The trust also performs post-implementation reviews of CIP

schemes in accordance with best practice, the results of which are reported to Finance, Performance and Business Development Committee.

During the year the trust held a series of 'raising concerns' drop-in sessions where staff could meet and speak in confidence with an Executive Director and/or senior manager. The sessions aimed to promote and encourage the reporting of concerns and incidents and to explain how the trust's systems operated.

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

The trust is fully compliant with the registration requirements of the Care Quality Commission. Assurance is obtained on compliance with CQC registration requirements and is reviewed by members of the executive team and the quality committee. The trust underwent a CQC inspection in 2018 and was rated 'good' in relation to its services. In relation to well led element, the CQC reported that the services had effective systems for identifying risks and planning to eliminate or reduce them and that the leadership teams understood the current challenges and pressures impacting on service delivery and patient care. The CQC were also told by patients and families during their inspection of positive examples of caring, compassionate care and patients gave the CQC positive feedback about the care they received.

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

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with details of which can be found throughout the annual report.

The trust continues to undertake risk assessments surrounding its carbon reduction delivery plans which have been in place in accordance with emergency preparedness and civil contingency requirements, based on UKCIP 2009 weather projects. The trust is currently developing a sustainable development management plan which would take account of UK Climate Projections 2018 (UKCP18) and would seek to ensure that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The trust follows NHS England's guidance in reporting never events, serious incidents and carrying out investigations. Both the local commissioners and the regulators are informed of the trust's never events and serious incidents and monitor the outcomes. Never events and serious incidents are managed operationally through the Safety Senate and through the Quality Committee. The trust reported two Never Events during 2018-19. The trust has responded quickly and thoroughly to the operational issues raised in each incident, informing both commissioners and regulators at each stage and monitoring closely the ensuing changes in practice. The board of directors and the assurance committees seek to challenge the assurance given in relation to actions taken arising from never events and serious incidents to ensure that never events and serious incident investigations are making a difference and leading to improvement and learning as a fundamental part of their purpose.

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

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

Each year the trust prepares an operational plan which details the trust's plans, its budget and efficiency targets and is approved by the board of directors. The trust's council of governors receive a presentation on the plan and are able to contribute in its development. Reports on performance against the plan are presented to the board of directors and council of governors during the year.

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

The board and the Finance, Performance and Business Development Committee review the financial position of the trust through its financial performance report. This provides integrated information on financial performance, including the achievement of efficiency targets and other performance measures. There is a scheme of delegation in place.

Information governance & Data Quality

In March 2019, the trust successfully completed its first submission to the new Data Security and Protection (DSP) Toolkit. An independent audit of the trust proposed Data Security and Protection Toolkit provided an audit opinion of "Significant Assurance". Whilst "**Significant Assurance**" is welcome, I recognise that there remained some areas that require review and further development, namely: reviewing the trust's arrangements for managing Information Governance; reviewing the management and central control of computer systems and other information assets; further supporting the introduction of Data Protection by Design; ensuring the continued development of IG compliant processes; reviewing and renewing the trust central registers to ensure they are accurate and up to date; and taking steps to improve the compliance with Information Governance training.

During 2018/2019, the trust received a notice from the Information Commissioner's Office to improve its storage and management of personnel type records following the loss of information in response to two Subject Access Requests. The trust is currently undertaking a review of the way such records are stored and an outline plan has been formulated.

During the last few weeks of the financial year 2018/2019 the trust became aware of a potential breach of confidentiality that was sufficiently serious to merit reporting to the Information Commissioner's

Office. Although the matter has been reported, it is currently under active investigation and, therefore, at this time there is no definitive outcome or conclusion. The matter will be concluded in due course and reported in 2019/20.

I recognise the importance of data security and has robust measures in place to reduce the risks from cyber-attacks including ransomware and computer viruses. The trust has obtained the highest level of certification for Information technology security, attaining ISO9001, ISO27001 and ISO23001.

The trust's Information Risk Management Policy provides the key principles; legislative and good practice framework; revised information governance structures; and roles and responsibilities, including the concept of Information Asset Owners within the trust so that the impact of any cyber-attack is mitigated. This also includes effective software and security updates, network monitoring and CareCert management processes.

All policies regarding email and internet access has been adopted to reflect the additional capabilities that new security applications provide for.

The trust monitors data quality through a regular data quality sub-committee that reports through the information governance committee to FPBD and focusses on specific specialties to ensure regular representation from senior managers and clinicians. This provides a forum for informatics and operational staff to discuss issues and key data items relating to their specialty. Regular data quality reports, validations and audits are undertaken to provide me with assurance that submitted data is representative of the trust's activity.

Last year I reported on two data quality and recording issues that led to two serious incidents being called in relation to breaches of national access targets – one related to patients who had been referred into the trust by a GP with suspected cancer and who had subsequently breached the 62 day target; the second incident related to failure to accurately report patients who had breached the 18 week (referral to treatment) target. Over the year the trust has made strong progress in the delivery of the significant actions arising from the data quality breaches. It should be noted that the application of new ways of working take time to be embedded and some residual issues with 18 Week referral to treatment pathways were noted in year. The trust is aware of the residual issues and is actively addressing them.

Following the trust's investigations and reviews during the first half of 2018/19 the trust invited NHS Improvement Intensive Support Team (NHSI IST) to undertake a diagnostic review and support work to strengthen the trust processes. Shortly after, an external audit of its referral to treatment and cancer data was undertaken. This external audit was in line with NHSI IST guidance and the findings of which showed the trust was reporting with a level of high accuracy of the trust's reported position with 100% accuracy for cancer pathways and over 95% accuracy for referral to treatment. The trust has also invested in a referral to treatment end-to-end solution to support both operational management and data management of patient pathways which will deliver efficiencies in process and additional assurance in data management. Work is progressing well in establishing effective business intelligence and integrated strategy for digital, IM&T and informatics; a new Data Quality Strategy is now in place and the audit committee will seek to ensure that there are effective arrangements for data quality assurance going forward. This will include the continuation of regular data quality sub-committee meetings focussing on specific specialties with representation from senior managers and clinicians.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare a quality report for each financial year. NHS Improvement has issued guidance to NHS foundation trusts on the form and content of the annual quality reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The quality report is contained within this annual report. Key controls are in place to prepare and publish the quality report, responsibility for which is discharged through the trust's medical director who provides leadership. Each of the trust's clinical functions has a designated effectiveness lead who is a consultant clinician. Effectiveness leads are responsible for operationally managing delivery of the quality report which focuses on patient safety, clinical effectiveness and patient experience. Clinical directors and senior managers are accountable for delivering all aspects of the quality report.

A key role is played by the trust's three senates; safety, effectiveness and experience in preparing the trust's quality report. This committee provides a forum for discussion and challenge in respect of quality indicators and enables a balanced view to be presented in the published quality report. The quality metrics are identified by key stakeholders and the report is made available to them in draft form for review and comment. The medical director, director of nursing and midwifery, head of quality and the quality improvement lead attend events hosted by clinical commissioning groups and other key stakeholders, to present the quality report and address comments and questions. The input of stakeholders adds further to the balanced view presented in the quality report.

A performance report and dashboard is in place in order to review and report on quality metrics. This is updated monthly and is reviewed across the trust's integrated governance structure and ultimately by the board. The Board has approved its quality strategy for 2017-20 and this can be found on the trust website. A new strategy is being developed to take forward the quality agenda in 2020 and would be considered by the board's quality committee and board of directors.

Data sources used in the production of the quality report include the trust's nursing and midwifery indicators, data reported under CQUINS (Commissioning for Quality and Innovation payment framework), Inpatient Commissioning Dataset, trust activity data drawn largely from Meditech, IDEAS reproductive medicine database, clinical audit data, Ulysses incident reporting system, CHKS and SUS data, inpatient and day case survey results and our staff survey results. There is also a series of policies in place at the trust which underpin the quality of care provided and include clinical guidelines and standard operating procedures.

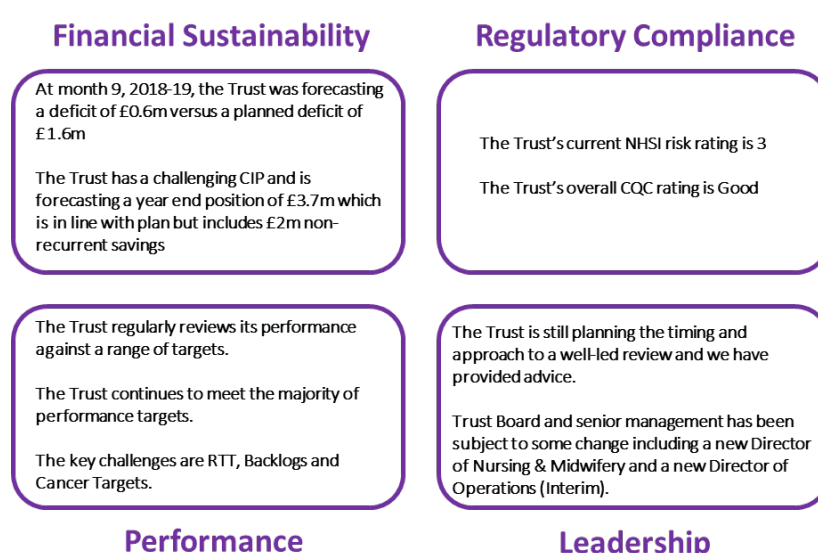
The trust employs the services of KPMG LLP as external auditors to provide a limited assurance report in relation to compliance with the requirements of the National Health Service (Quality Accounts) Regulations and to the quality and accuracy of the report through audit of three representative measures (two of three mandated by NHS Improvement and a third selected by the trust's council of governors) and a consistency check of the contents of the report with a range of internal trust documents and records.

Review of effectiveness of internal control

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

internal auditors, clinical audit and the executive, managers and clinical leads within the trust that have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board; the audit committee; the quality committee; the clinical governance senates (safety senate, effectiveness senate and experience senate) and the Corporate Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system of internal control is in place.

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



across the NHS was facing a number of challenging issues and wider organisational factors.

All recommendations from internal audit, external audit and the Local Counter Fraud Service are monitored by the audit committee using tracking software, to ensure recommendations are followed through to implementation. It is noted that the Head of Internal Audit did not consider the matters identified in his Opinion to be of sufficient concern to cause the overall opinion to be negative.

My review of effectiveness is also informed by reports and minutes from the audit committee, Quality Committee, Finance, Performance and Business Development Committee, Putting People First Committee, Clinical Governance Senates (safety senate, effectiveness senate and experience senate), Emergency Preparedness, Resilience and Response Committee and Infection Prevention and Control Committee. Other relevant assessments to which the trust responds includes relevant CQC reviews,

the Patient Led Assessments of the Care Environment (PLACE) undertaken, national confidential inquiries, reports from the Centre for Maternal and Child Enquiries and Ombudsman's reports.

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

- ❖ The board of directors whose role is to provide active and visible leadership of the trust within a framework of prudent and effective controls that enable risk to be assessed and effectively managed. The board is collectively accountable for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system;
- ❖ The audit committee which, as part of our governance structure, is pivotal in advising the Board on the effectiveness of the system of internal control. This includes tracking the trust's response to internal control weaknesses identified by internal audit;
- ❖ The Board's assurance committees namely the Quality Committee, Finance, Performance and Business Development Committee and Putting People First Committee, each of which provides strategic direction and assurance to the Board in respect of risk management;
- ❖ The Senates and Quality Committee that are instrumental in preparing our Quality Report and monitoring performance against agreed quality indicators;
- ❖ The programme of clinical audit in place which is designed to support achievement of the trust's strategic objectives. The programme is monitored by the Effectiveness Senate which reports to the Quality Committee;
- ❖ Internal audit provides regular reports to the audit committee as well as full reports to the director of finance and executive team. The audit committee also monitors action taken in respect of audit recommendations and the director of finance and deputy director of finance meet regularly with the internal audit manager;
- ❖ External audit provides an annual audit letter and progress report through the year to the audit committee.

Significant Internal Control Issues


Significant control issues are reported to the Board via one of its assurance committees. All significant risks identified within the BAF have been reviewed in-year by the board and relevant assurance committee and appropriate control measures put in place.

The trust identified the following internal control issues during 2018/19. These have been or are being addressed through the mechanisms described in this statement.

NHS Improvement Enforcement Undertaking: Following an investigation in November 2015, NHS Improvement acknowledged that the trust had taken steps to address its financial challenges however they wished to determine what additional support they could offer the trust as it seeks to reduce its financial deficit and ensure long term sustainability. On 8 April 2016 NHS Improvement took action, under the license for providers, and the trust entered into an enforcement undertaking which requires specific actions to be taken in order that the trust can return to a sustainable position. The trust continues to comply with the requirements of the enforcement undertaking and report compliance through the governance structure.

Conclusion

The Board is committed to continuous improvement and the development of systems of internal control and the trust has continued to make significant improvements to the system of internal control; the internal auditor's opinion provides that assurance. There are however some areas where further improvement is required. Actions are in place to address the issues leading to the control issues described and the Board are confident that there is a robust system in place to oversee the implementation of these actions.

A handwritten signature in black ink, reading 'Kathryn Thomson'. The signature is written in a cursive, flowing style.

Kathryn Thomson

Chief Executive

24 May 2019

4. Quality Report



Why publish a Quality Report?

The purpose of a Quality Report is to inform you, the public, about the quality of services delivered by Liverpool Women's NHS Foundation Trust. All providers of NHS Services in England are required to report annually on quality; the Quality Report enables us to demonstrate our commitment to continuous, evidence based quality improvement and to explain our progress to the public. The Quality Report forms an important part of the Trust's Annual Report. This is the Trust's 9th Quality Report.



Part 1

Statement from the Chief Executive

Welcome to Liverpool Women's NHS Foundation Trust's 9th annual Quality Report. This provides an opportunity for us to report on the quality of healthcare provided during 2018-19, celebrate our achievements and to share with you the Trust's key priorities for quality in the next reporting year of 2019-20. This is a critically important document for us as it highlights our commitment to putting quality at the heart of everything we do.



At Liverpool Women's our 3-year Quality Strategy sets our long-term quality objectives; encouraging projects that will reduce harm and mortality, improve patient experience and ensure the care that we give to our patients is reliable and grounded in the foundations of evidence based care. We believe our strategy will ensure the services we provide are safe, effective and provide a positive patient experience.

By reporting to you annually through our Quality Report we demonstrate how the Trust has performed against the ambitious, specific targets we set ourselves each year. It is through striving to deliver each of these individual targets that we will be able to achieve the long-term objectives in our Quality Strategy. As well as reporting on performance 2018-19, the Quality Report also identifies our priorities for the coming year. These

priorities range from nationally published measures through to our own locally selected issues.

The trust monitors data quality through a regular data quality sub-committee that reports through the information governance committee to Finance Performance Business Development (FPBD) and focusses on specific specialties to ensure regular representation from senior managers and clinicians. This provides a forum for informatics and operational staff to discuss issues and key data items relating to their specialty. Regular data quality reports, validations and audits are undertaken which provide me with assurance that submitted data is representative of the Trust's activity.

I would like to take this opportunity to discuss some of our quality highlights of 2018-19. Each of them is an initiative or piece of work that we have either led or been involved with over the past 12 months that will continue to maintain or improve the quality of our care and services to patients and families.

This year has seen the start of a £15m project to upgrade and expand our existing Neonatal Unit which will help to keep our most vulnerable patients safe and will improve the facilities and

comforts for families of babies being cared for on the unit. The project is due to be completed by 2020 and the formulation of the plans has been driven by our clinical teams as well as feedback from families on the unit to ensure that the redevelopment is not only structurally modern but also the best possible clinical environment for the future.

Liverpool Women's received an overall 'Good' rating following a recent CQC inspection, and 'outstanding' for aspects of our maternity practice relating to the responsiveness of services, which is a testament to the quality of our services and the commitment of our staff in demonstrating the excellent care that is delivered to our patients every day.

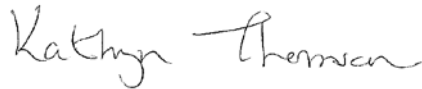
We also began a journey along our Fair and Just Culture programme to improve the way we learn from mistakes and make improvements, as well as how we hold people to account, ensuring that our patients benefit from better outcomes and our workforce is performing as best as it possibly can in a fair and just cultural environment at Liverpool Women's.

Finally, Liverpool has a long history of focusing on women's health and to ensure this continues, the Trust has been working hard to develop plans for the long term future of our services. This started with our Future Generations Strategy in 2015 and has continued through our work with Liverpool CCG and other stakeholders which we hope will lead to a public consultation on the future of our services in the near future. We continue to focus on our Future Generations Strategy with the long-term safety of our services and patients being our number one priority.

This report contains many more indicators on the quality of our care, services provided, and how we have overcome some challenges during the year - all as a result of the staff here at Liverpool Women's who go above and beyond every day - the above are just a small selection of examples of some of the positive achievements during 2018-19. Therefore I encourage you to read the report in full to see the range of measures that are in place to continually improve and sustain quality by

reducing harm, reducing mortality and improving the experiences of our patients, families, and staff.

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



Kathryn Thomson
Chief Executive
24 May 2019

The strategy for the future

The trust has a fabulous record of specialist women's services in the City and they have constantly evolved to meet the changing needs of women and babies. However, since the Crown Street site was designed over 20 years ago a lot has changed.

The health needs of the women and babies cared for has changed, for example the number of women over the age of 40 having babies at the hospital has doubled in the last 10 years and women with complex health problems are now also able to have babies.

Gynaecological cancers are increasing and more complex surgery is taking place, and babies that wouldn't have survived 20 years ago are now being cared for in our neonatal unit which requires more space to meet national standards.

As a result, following a review of services in 2014 the trust embarked on its Future Generations strategy with the support of doctors, nurses, midwives and other health specialists to help shape the future of our services for women and babies.

Our *Future Generations strategy* consisted of the trust:

- ❖ Identifying the clinical standards the trust wants to achieve in each of our services, now and in the future;
- ❖ Being clear about which services need to be provided together in order to manage clinical risks effectively;
- ❖ Exploring how the trust's services can be remodelled in order to provide care closer to patients' own homes;
- ❖ Thinking about which of the services need to grow and develop;
- ❖ Defining how the trust operationally organises its services – what happens where, when and for whom;
- ❖ Reviewing the options for operational changes in each service, including estates and Information Management and Technology;
- ❖ Listening and engaging with the public, patients, members, partners and staff to make the right choices for the trust's clinical services;
- ❖ Setting out clearly the clinical case for change from which to develop a business case.
- ❖

Throughout 2015/16, the Trust continued the development of the 'Future Generations' strategic plan which aimed to address the achievement of long term clinical and financial sustainability.

In December 2015, the resulting business case received formal approval from the Trust Board and was submitted to NHS Improvement and Liverpool CCG in January 2016 for review. Liverpool CCG accepted the case for change and commissioned its own review into Women's and Neonatal services.

The review was supported by an external consultancy and a range of local and national clinicians, other NHS service providers and commissioners. The overall governance was the responsibility of Liverpool CCG and was undertaken through a Project Oversight Group. The Project Oversight Group was supported by a Clinical Reference Group. The review followed a standard option appraisal methodology.

NHS Liverpool CCG review of women and neonatal services

In November 2016, Liverpool CCG concluded its draft Pre-consultation Business Case (PCBC) and published it in January 2017. The draft PCBC presents four short listed options including;

- ❖ Enhancing the Crown Street site to meet the clinical case for change
- ❖ Minimum enhancements to the Crown Street site, which did not meet the clinical case for change
- ❖ Relocating services to Alder Hey Children's NHS FT in a new build and
- ❖ Relocating services to Royal Liverpool and Broadgreen University Hospitals NHS Trust in a new build

Of the four short listed options the draft PCBC contains evidence which clearly demonstrates that one option, the preferred option of relocating to a new build co-located with the Royal and Broadgreen University Hospitals NHS Trust on the Central University Campus, scored highest in all domains under consideration within the options appraisal framework, those being quality, feasibility, financial sustainability and strategic fit.

In September 2017 the trust produced a Strategic Outline Case to demonstrate the availability and affordability of capital in relation to the options. At the same time the Northern England Clinical Senate issued a report on its findings in relation to the clinical sustainability of services at the trust. The Clinical Senate concluded that 'the current isolated position of both Women's and Neonatal services at LWH means both services have very significant clinical risks'. The independent Clinical Senate also recognised that the current configuration of services at the trust and workarounds in place are unsustainable and that a change in the clinical model 'is needed to ensure safety, quality and clinical sustainability'.

In its conclusions the Clinical Senate stated that there is a strong clinical argument for change, emphasising the risks with delivering care for women and newborns on a stand-alone site away from other related services, as is currently the case at Liverpool Women's. Among the range of issues it highlights are the problems that the trust faces recruiting anaesthetics specialists, due to its isolated position; the fact that Liverpool Women's does not have CT or MRI scanning facilities, a blood bank or an adult intensive care unit.

Throughout 2018/19 the Trust has continued to seek to gain capital approval from the regulators to address the issues it faces. This has been against a backdrop of limited capital availability nationally across the NHS. Despite submitting a bid which was ranked favourably by the Cheshire and Mersey Health and Care Partnership (first out of the of the three large schemes and third overall) the Trust's bid was rejected. Despite this the Trust will continue to pursue all available avenues to ensure that capital is secured to make the services currently provided by Liverpool Women's sustainable for Future Generations of women, babies and their families.

Keeping our services fit for the future

Regardless of the outcome of any decisions on the future of women's and neonatal services, the trust will be located at its current site for a number of years to come. Therefore in the short term investment and refurbishment of the current site is required to maintain quality and safety for the trust's patients while decisions about the long term location of services are taken.

Last year the trust reported that during 2017/18 it completed two main projects: the Gynaecology Unit Refurbishment; and the Outpatients Facilities Improvement Programme. Both improvements have seen positive patient benefits to the provision of our services.

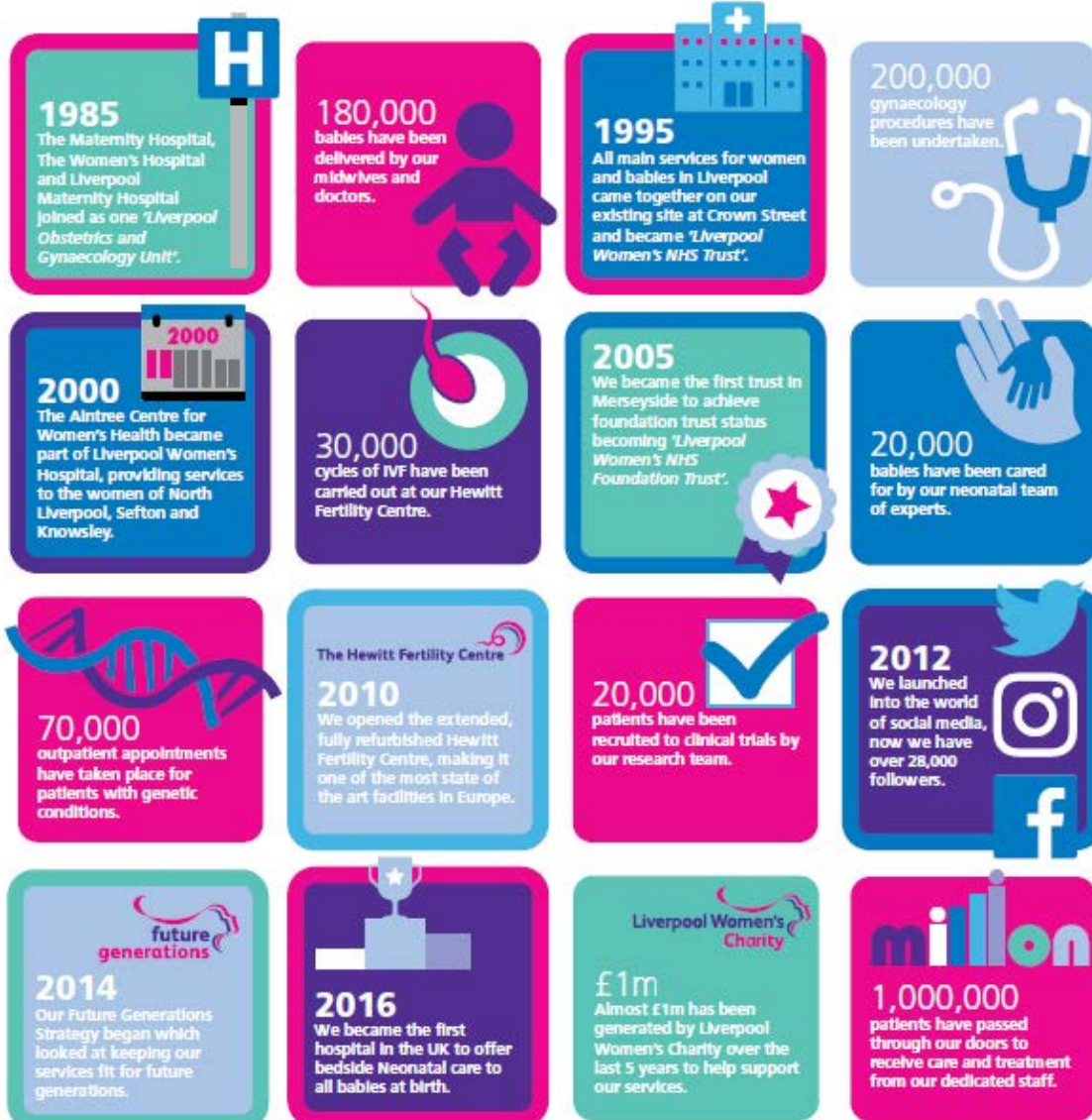
Neonatal and other services: the trust's neonatal services also require additional investment to ensure that its most vulnerable babies are being cared for in the best environment possible. In 2016 the trust took the difficult decision to reduce the number of cots it had available in order to reduce the risk of infection to babies. During 2018 the Trust was awarded £15m in the form of a capital loan to address the immediate clinical risks on the neonatal unit. Work has started on the redevelopment of the unit which will see the unit providing much needed additional cots to keep the trust's most vulnerable patients safe. The new neonatal unit is planned to be completed in the summer 2020. Whilst this is a welcome step, it does not negate the overall clinical requirement to co-locate with the adult acute provider; the trust is pleased that the investment will improve services for neonatal babies and their families.

Other clinical risks: To further mitigate the clinical risks identified in the clinical case for change the trust continued to invest in the provision of senior clinical consultant cover across its services and will continue into 2019/20.

Despite the challenges the trust has faced over recent years and will continue to face for the foreseeable future, the main driver for all its decision making is the provision of quality patient care. The trust will not compromise on the excellent quality of care it provides, which is why it is working to ensure its services are both fit and safe for the immediate and long-term future. Patient safety is always the trust's number one priority.

Reasons to be proud

As we celebrate the NHS turning 70, here are some key milestones from Liverpool Women's history...



#NHS70 #LWH70

All figures are approximate.

70
YEARS
OF THE NHS
1948 - 2018

Part 2

Priorities for improvement and statements of assurance from the board

Priorities for Improvement

The section of the report looks at the Trust's quality priorities, how we have performed against them during 2018-19 and how we plan to monitor progress during the coming year.

These priorities are a combination of national and local issues and wherever possible are identified by as wide a range of stakeholders as possible; this includes patients, their families, the wider public, our staff and commissioners. The Trust's priorities can be summarised by our 3 goals: to reduce harm, reduce mortality and provide the best patient experience. The Trust priorities ensure that Safety, Effectiveness and Experience, set out by the Department of Health as the 3 central principles of quality healthcare, remain at the core of all activity at Liverpool Women's.



Reduce Harm

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



Reduce Mortality

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



Provide the best Patient Experience

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

Progress against the Quality Strategy 2017/20 at the end of Year 2

Quality and Safety Improvement Priority	Target	2018-19	2017-18
Reducing Avoidable Harm (Safety)	Zero never events	Level 2	Level 1
	Reduce medication incidents resulting in harm	Level 3	Level 3
	100% sepsis screening	Level 3	Level 3
	Reduce avoidable readmissions	Level 2	Level 1
	Reduce avoidable returns to theatre	Level 2	Level 2
	Reduce avoidable term neonatal admissions	Level 3	Level 3
Reducing Mortality - Achieve the best clinical outcome (Effectiveness)	Zero maternal deaths	Level 3	Level 3
	Zero unexpected deaths in women having gynaecological treatment	Level 3	Level 3
	Reduce avoidable stillbirth	Level 3	Level 3
	Reduce avoidable neonatal deaths	Level 3	Level 3
	Increase compliance with NICE Quality Standards	Level 3	Level 3
Providing the Best Patient Experience (Experience)	Increase the percentage of staff recommending the Trust as a place to work	Level 3	Level 2
	Increase the Trust's staff engagement score	Level 3	Level 2
	Reduce PALS contacts regarding patient access to triage systems	Level 3	Level 1
	Health & Wellbeing; to improve staff health and wellbeing	Level 3	Level 3

Key

Level 0 – No action to date (red)

Level 1 – Process in place (amber)

Level 2 – Improvement in practice (blue)

Level 3 – Complete (green)

Reduce Avoidable Harm

This section of the report looks at how the Trust ensures Safety through the use of its first quality goal, “to reduce harm”. Despite the best efforts of every healthcare professional, harm occurs every day to patients in every hospital. Catastrophic events are rare but we acknowledge that unintentionally a significant number of patients experience some harm in the course of their care. Given the nature of the services we provide, harm can sometimes result in lifelong consequences for women, babies and families.

As a specialist Trust, Liverpool Women’s has thought carefully about the types of harm that are particularly relevant to the services we provide and the patients we care for. The priorities that have been selected are therefore specific to us and to the issues most relevant to you, our patients and families, and your safety. They give the best overview of how we are tackling harm and working hard to reduce it.

Our Priority Safety	Zero Never Events	Level 2 – Improvement in practice
What we said we’d do	The Trust takes extremely seriously its duty to prevent harm and provide care in a safe environment. This will be monitored via our Ulysses incident reporting system and reported to Safety Senate.	
What the data shows	The Trust reported 2 ‘Never Events’ in the period 01/04/2018-31/03/2019 and consequently did not meet this target.	
	The first never event reported occurred in September 2018 and involved the discharge home of a patient with a retained vaginal swab post-surgery. As the swab was intentionally retained at the close of surgery, a yellow wristband was attached to the patient’s wrist to highlight the presence of the retained swab for later removal as per Trust policy. The band was removed after a verbal report that it had been removed, following an instruction to do so, but this removal had not actually occurred. A comprehensive investigation of the incident was conducted and the report was submitted to our commissioners. The Trust policy is that the person removing the retained object should remove the wristband. Trust documentation now states that a band in place despite any verbal indication that earlier removal of the retained object has occurred, should be followed by a confirmatory examination before the wristband is removed.	

The second reported never event occurred in November 2018 and resulted from the insertion of a contraceptive coil, which did not match the item consented by the patient. Whilst the device fitted was safe and the patient was happy to continue with it after being informed of the error, comprehensive investigation of the incident demonstrated weaknesses in the pre-operative documentation available at intra-operative briefing and that checks and challenges were not effective in ensuring that the correct consented device was fitted during surgery.

In response the following actions were taken:

- Lesson of the Month was developed with a send and read receipt.
- Awareness of the importance of checking the consent forms was raised in the morning theatre huddle both by the Theatre Manager and subsequently by the Head of Nursing for November 2018.

The incident and investigation has been referred to the Trust's Local Safety Standards for Invasive Procedures (LocSSIPs) working group for inclusion in their ongoing work to ensure the Trust meets the National Standards for Safer Invasive Procedures. The Trust reported 2 'Never Events' in the period 01/04/2019-31/03/2018 and consequently did not meet this target.

Financial Year	No. of Never Events per Financial Quarter				
	Q1	Q2	Q3	Q4	TOTAL
2016-17	0	0	2	1	3
2017-18	1	0	1	0	2
2018-19	0	1	1	0	2

Data Source: Ulysses Risk Management System

What happens next?

Our ongoing aim is to ensure that no 'Never Events' occur and a key to this is staff vigilance as to what are 'Never Events'.

As part of the Trust Risk Management Strategy, the Governance team and the Trust LocSSIPs working group will continue to work to raise the profile of what 'Never Events' are and the lesson learnt from any which may occur.

When 'Never Events' occur we will continue to report them to the CCG and ensure a full investigation is completed and root causes and lesson learnt identified and disseminated across the organisation.

Our Priority Safety

Reduce medication incidents resulting in harm **Level 3 – Complete**

What we said we'd do

Improving the reporting culture and having the correct processes to review and learn can have a positive impact on patient safety. This will be measured using data from the Trust's Ulysses system and reported to Safety Senate.

What the data shows

There were a total of 583 medication incidents reported during 2018/19 which is a slight increase in the total number from the previous year (550 for 2017/18) and may

reflect a greater awareness for reporting medication incidents and near misses across the Trust.

Of these 583 incident reports 27 (5%) were recorded as near-misses, 469 (80%) caused no harm, and 87 (15%) were recorded as causing low harm. The Trust reported no medication related incidents as causing moderate or severe harm during this period, reflecting the position achieved consistently since 2016/17. As in 2017/18, the large majority of reported medication incidents caused no harm (80% and 77%) and the proportion of incidents causing low harm remained stable (15% and 15%). 2018/19 saw a slight reduction in the proportion of near misses when compared to the previous year (5% vs 8%). Low harm medication incidents are defined as ‘any medication incident that required extra observation or minor treatment’, even if the outcome of the monitoring was normal and there was no actual adverse effect caused by the incident.

Data Source: Ulysses Risk Management System

What happens next?

Individual service areas are responsible for managing medication related incidents, with support as required from the governance and pharmacy departments. The Trust’s Medicines Management Committee has oversight of medication related incidents, receiving quarterly Trust-wide medication related incident occurrence data to identify trends.

To improve oversight and organisational learning, the Medicines Management Committee has introduced a requirement for individual service areas to present bi-annual reports regarding their medication safety programme to increase assurance that key lessons learned from incidents are being disseminated and actioned across the area and wider Trust. The Committee will continue to work to embed this new reporting schedule into practice.

In the coming year, the Medicines Management Committee will relaunch the Trust’s Management of Medication-related Clinical Incidents or Near-miss policy and work is underway to review the delivery of medicines management training to clinical staff, to provide a greater focus on medication safety and reporting. The Medicines Management Committee is a reporting group of the Trust’s Safety Senate and has executive support from the Medical Director to enable it to deliver its work plan.

Our Priority Safety

100% Sepsis Screening

Level 3 – Target Achieved

What we said we’d do

The Trust takes extremely seriously its duty to recognise and treat sepsis in a prompt and appropriate manner. Quarterly reports are prepared to check compliance with this target.

What the data shows

These data demonstrate that for all patients presenting to the Emergency room with suspected sepsis, and all hospital in-patients who developed symptoms, screening was undertaken in an appropriate manner and compared to previous years, we have seen 100% compliance with our new systems and processes of early interventions and diagnoses.

We are continually experiencing low numbers of patients being seen and treated at Liverpool Women's Hospital suffering or showing symptoms of Sepsis. However, these low numbers can impact on our performance by skewing the figures when benchmarking or comparing with our comparative hospital groups and peers. In all but two cases potentially lifesaving antibiotic therapy was administered within one hour in compliance with National Guidelines.

The continuing improvement can be attributed to robust and regular training regimes that were implemented in 2017/18, across the emergency department and wards; in addition to the coding and reporting systems.

Timely Identification and Treatment	2016-17	2017/18	2018/19
Timely Identification of Sepsis in ED	100%	100%	100%
Timely treatment of Sepsis in ED	20%	93%	100%
Timely identification of Sepsis in Inpatients	100%	100%	100%
Timely treatment of Sepsis in Inpatients	100%	100%	100%

Data Source: LWH IT Performance Team

What happens next?

Sepsis, its recognition and treatment remains a standing agenda item at monthly and quarterly Critical Care Meeting (CCM) meetings, with monthly CQUIN (Commissioning for Quality and Innovations) reporting in place. A rolling monthly audit on sepsis takes place to form the main quarterly report after review at the CCM.

Education on the importance of prompt recognition and management for new medical staff commencing in the Trust will continue through Sepsis awareness weeks and regular updates. Streamlining data collection process and analysis continues across the Trust. This regime of monitoring and training is providing effective outcomes and improved safety to patients.

To promote our safe service ethos, we will be benchmarking our Trust against other hospitals in our region, using NHS England and Sepsis Trust Data to assist us to maintain our high standards of care and aim to be outstanding.

**Our Priority
Safety**

Reduce avoidable readmissions **Level 2 – Improvement in practice**

**What we said
we'd do**

Planning patient discharges as early as possible and ensuring clear discharge plans are in place leads to safer care. Targeted clinical audits to understand patient flow will be in place and reported to Safety Senate.

Each patient is reviewed and individualised discharge planning commences at the point of admission. Discharge planning is flexible dependent upon which clinical pathway the patient takes which helps to support Expected Date of Discharges.

**What the data
shows**

Data table demonstrating the number of Readmissions in 2018-19 by month.

	Target	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Readmissions within 30 days (Reporting 1 Month Behind)	TBC	2.10%	1.00%	2.00%	1.80%	1.50%	2.30%	2.10%	2.50%	2.00%	4.20%	2.60%	2.51%

Data Source: LWH IT Performance Team

**What happens
next?**

Criteria nurse led discharge is in place for the majority of day case procedures, which is working well and supports enhanced patient flow. Consultant led ward rounds are completed 7 days per week which supports appropriate and timely decision making and discharge planning.

In 2019-20, performance against this metric will be monitored via a quarterly report to the Gynaecology Divisional Governance meeting. This report will also explore and themes or trends in un planned returns or admissions to hospital.

**Our Priority
Safety**

Reduce avoidable returns to theatre **Level 2 – Improvement in practice**

**What we said
we'd do**

Monitoring and understanding why patients are returned to theatre unexpectedly including analysing variation as part of the revalidation process. Conducting root cause analysis and learning from these investigations will be reported to Safety Senate.

What the data shows

Looking at the details of the 28 cases returned to theatre, 11 were obstetric and 17 gynaecological. Of the 11 obstetric cases 9 related to management of complications of surgically assisted birth, with a total of 3028 obstetric cases in the year this equates to 0.36%, 0.34% below target. NB Obstetric data was not included in the 2017-18 quality report.

The indications for the Gynaecology returns to theatre vary but primary causation is bleeding after major or laparoscopic surgery; 3 of these followed loop excisions and 5 followed after hysterectomies and required a further laparotomy. With a total of 4785 procedures, this equates to 0.35%, 0.35% below the 0.7% upper acceptable limit of returns. This also shows a drop of 0.17% against 2017/18 (0.52%, 28/5379) and is suggestive of service improvements

The percentage of returns over the reporting year to theatre of gynaecological surgical procedures performed in theatres excludes incomplete surgical evacuation of uterus after miscarriage or termination of pregnancy (which might occur up to 4 weeks from original surgical evacuation procedure) is 6/1174 (1174 is the overall EVAC / VTOP (Evacuation of retained products / Vaginal Termination of Pregnancy) numbers for 2018/19) this is equivalent to 0.51%.

Returns to Theatre by Month

Month	Gynaecology	Obstetrics
Apr-18	2	2
May-18	0	2
Jun-18	2	1
Jul-18	2	0
Aug-18	1	1
Sep-18	4	0
Oct-18	1	1
Nov-18	1	1
Dec-18	1	0
Jan-19	1	1
Feb-19	1	1
Mar-19	1	1
Grand Total	17	11

	Target	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Returns to Theatre	<=0.7%	1.00%	0.30%	0.90%	0.50%	0.60%	0.94%	0.61%	0.48%	0.28%	0.35%	0.27%

Data Source: LWH IT Performance Team

What happens next?

Following a return to theatre, available detailed information is reviewed and an individual report recorded on the Ulysses incident reporting database. The return to theatre incidents are monitored via monthly performance dashboards presented to Safety Senate with scrutiny and overview provided at Gynaecology Divisional meetings.

Our Priority Safety

Reduce avoidable term neonatal admissions

Level 3 – Complete

A key priority for the Trust and its staff is the safety and welfare of our patients. Minimising term admissions reduces potentially avoidable separation of mothers and babies, reduces unnecessary investigation and treatment and allows better utilisation of resources in the neonatal unit and means that mothers and babies are cared for together whenever possible and is a national priority area.

What we said we'd do

Reduce harm from avoidable admissions to the neonatal unit in infants born at term (≥ 37 weeks' gestation). A multidisciplinary clinical team from Maternity and Neonatal Services will review all admitted term babies on a case-by-case basis and decide whether or not their admission could have been prevented.

We will identify any learning opportunities and put actions in place to minimise the number of unnecessary admissions. We will monitor the frequency of such admissions and aim to reduce their occurrence.

What the data shows

This table shows the number of babies admitted at term whose admission was deemed to be 'potentially avoidable' halved from 70 in 2016/17 to 35 in 2017/18 and further reduced to 33 in 2018/19. This represents a reduction in the proportion of potentially avoidable admissions from around 16% to 7% in this 2-year period. Our rates compare very favourably with the national benchmark figure of 30% for avoidable term admissions.

Period	Term admissions	Live births	Term admission rate	Potentially avoidable	% of total admissions classified as potentially avoidable
2016/17	431	7800	5.5%	70	16.2%
2017/18	384	7428	5.2%	35	9.1%
2018/19	465	7516	6.2%	33	7.1%

Data Source: Neonatal Admissions Database

What happens next?

We will continue to monitor our overall term admission rates as well as those considered potentially avoidable. We also propose to extend this review monitoring process to include late-preterm babies (34-36 weeks' gestation).

We will review our neonatal unit admission criteria to try and allow more babies to be cared for in the postnatal wards, thus preventing unnecessary separation of mother and baby. We will also enhance midwifery and neonatal training and education to support staff looking after babies in the postnatal areas.

Reducing Mortality

This section of the report considers how the Trust seeks to “achieve the best clinical outcomes”, ensuring the effectiveness of our services for our patients. Given the nature of the services we provide at Liverpool Women’s, such as looking after the very premature babies born or transferred here and providing end of life care for cancer patients, we do see deaths, many of which are expected. However, our quality goal is to reduce mortality and improve best clinical outcomes wherever possible.

As is explained on the right, the use of HSMR is not appropriate for this organisation; as it excludes a large number of our deaths, using it may give false concern or reassurance. This has been considered very carefully by the Trust and we have committed to monitoring our mortality by focussing on each clinical area separately. We will record our mortality rates in those areas and benchmark against national standards. To ensure effectiveness in the Trust is at the absolute forefront of practice, the Trust goes a step further than most other hospitals by ensuring that every case in which there is a death is reviewed individually so that any lessons regarding failures of care may be learned.

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

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

Our Priority Effectiveness

Zero Direct Maternal Deaths

Level 3 – Complete

What we said we'd do

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

An adult mortality strategy was written and implemented in April 2017 and updated in April 2018.

The strategy prioritises up to date guidelines and audit in order to reduce the risk of adult mortality.

A process for reviewing all adult deaths, using an Adult Mortality Audit sheet which complies with recognised and validated methodology detailed in PRISM studies was implemented on Ulysses in 2017/18. A LeDeR policy was also written.

(National Guidance on Learning from Deaths. National Quality Board (2017) Available at www.england.nhs.uk)

(Learning Disabilities Mortality Review (LeDeR) Programme (2017). Available at www.bristol.ac.uk/sps/leder)

What the data shows

-No direct maternal deaths were recorded in 2018-19.

As well as assessing each individual case very closely, the Trust benchmarks using figures provided from MBRRACE-UK. The latest available MBRRACE-UK data shows a national rate of 3.46 direct maternal deaths per 100,000 of the population.

Direct Maternal Deaths					
2016-17	0	2017-18	0	2018-19	0

Data Source: Hospital Episode Submission Data (HES)

What happens next?

The Quality Committee will continue to receive a quarterly mortality report. From February 2019 until the funding runs out, any direct maternal death in the perinatal period (except suicide) will undergo a Health Safety Investigation Branch (HSIB) review.

<https://www.hsib.org.uk/maternity/>

Investigations will:

- identify the factors that may have contributed towards death or harm
- use evidence based accounts to establish what happened and why

HSIB can bring standardised approach to maternity investigations and will not attribute blame or liability. HSIB will set out the facts of what happened in each case and generate recommendations and aggregate the findings from reports and draw out wider learning for the whole system.

**Our Priority
Effectiveness**

Zero unexpected deaths in women having gynaecological treatment **Level 3 –
Complete**

**What we said
we'd do**

An unexpected death is one which is not related to an end of life condition or which occurs as a result of treatment received.

We measure using HES data and report mortality rates to the Quality Committee.

How we help and deal with our patients who have serious or terminal diseases is important both in our dealings with the clinical issues around their care, but also in terms of the support and assistance we give to the patients and their families during this time.

We committed in our Quality Strategy to offering palliative end of life care to Gynaecology cancer patients in the Liverpool Women's, and providing help and support for patients and their families whether their preferred place of death is the Liverpool Women's Hospital or home.

**What the data
shows**

There were 6 expected oncology in hospital deaths in Gynaecology in 2018-19 and one death not related to an end of life condition.

The one unexpected death following Gynaecology treatment was reported to the CCG and the coroner. A Serious Incident (SI) review was undertaken within the hospital, and we participated fully in the Coroner's Inquest and the CCG review. Though no specific action around this patient's treatment was felt to be the cause of her death, lessons identified around her care which could improve future practice were fed back to the clinical staff.

Data Source: Hospital Episode Submission Data (HES)

**What happens
next?**

All deaths within the hospital, whether cancer-related or not, are reviewed using the adult mortality tool to ensure the appropriate action was taken (see maternal death section above). The Trust benchmarks its mortality data against peer Trusts using the Capita Healthcare Knowledge System (CHKS).

We will continue to benchmark in this way to complement the close monitoring of our mortality data internally. The Trust's Quality Committee and ultimately the Board have an overview of the delivery of this work. The Trust published an Adult Mortality Strategy in 2017.

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

Our Priority Effectiveness	Reduce avoidable still birth	Level 3 – Complete
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What we said we'd do	We said we would reduce stillbirths due to babies being small for gestational age (SGA) by 20% from the 2013 rate of 42.5% by 2020.
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What the data shows	In the 2013 calendar year, nearly half the non-fetal abnormality stillbirths were due to small for gestational age babies. Due to the efforts of the Stillbirth Task Force in increasing the awareness of reduced fetal movements, introduction of better pathways for detection of growth and induction for these indications.
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Following a year on year reduction since 2014, unfortunately for year 2018/19 the analysis shows that the contribution of undetected SGA towards stillbirth cases has increased to 25%. We acknowledge the increase in stillbirth rate due to undetected SGA, the stillbirth committee will review all these cases and report back if this is a true increase or an unexpected temporary deviation from a general trend in the coming financial year. Appropriate recommendations will then be made to address this. It is possible that this increase may be just an anomaly, or may reflect a true increase, as stillbirth is complex and multifactorial and not all causes are detectable or preventable antenatally. The 2018/19 stillbirth report will look at these cases in more detail and set out the recommendations for this year.

Also in 2019/20, we will be implementing new recommendations from the Saving Babies Lives SBL-2 and Growth Analysis (GAP-2) programmes which will address issues around undetected SGA. We will keep this figure under review as new recommendations are implemented, to ensure we provide assurances to our patients and the Trust.

During 2018-19 we agreed to offer serial growth scans at 30, 34 and 38 weeks to mums who reported smoking >11 cigarettes/ day. This has been incorporated in the SGA screening section on the patient information system 'Meditech' and clinically implemented.

Small for gestational age 2014/15	32.5%	
Small for gestational age 2016/17	16%	↓
Small for gestational age 2017/18	3%	↓
Small for gestational age 2018/19	25%	↑

Data Source: Perinatal Institute Growth Analysis Programme

Table showing the month on month increase in CO2 monitoring from 2017 to 2019

BookingMonth	CO_Recorded	CO_Not_Recorded	% Recorded
Mar-19	728	12	98.4%
Feb-19	743	6	99.2%
Jan-19	883	3	99.7%
Dec-18	603	1	99.8%
Nov-18	800	4	99.5%
Oct-18	795	1	99.9%
Sep-18	682	1	99.9%
Aug-18	730	3	99.6%
Jul-18	778	5	99.4%
Jun-18	713	2	99.7%
May-18	768	4	99.5%
Apr-18	755	9	98.8%
Mar-18	748	30	96.1%
Feb-18	443	346	56.1%
Jan-18	373	535	41.1%
Dec-17	305	268	53.2%
Nov-17	428	408	51.2%
Oct-17	373	438	46.0%
Sep-17	265	452	37.0%
Aug-17	321	401	44.5%
Jul-17	358	335	51.7%

Data Source: Liverpool Women's Performance Team

What happens next?

The Trust has an action plan for the national Saving Babies Lives Care Bundle. It will continue to monitor compliance against all elements of this care bundle. Alongside SBL-2 care bundle, we will also be implementing the GROW/GAP-2 programme through Perinatal Institute Birmingham to align the saving babies lives bundle recommendations into our routine clinical practice

Cessation of Smoking in pregnancy remains a key area for improving outcomes with regards to reducing small for gestational age babies and reducing stillbirth rates and poor neonatal outcomes where a direct link to smoking in pregnancy can be made. This work, will be monitored at both a local and regional level via our dashboard figures and monitoring themes from prenatal mortality tool (PMRT) reviews. Our close links to our stop smoking services and local smoking commissioners and public health links will continue to build upon the work already completed within the trust. Work will continue to improve smoking in pregnancy rates by further engaging staff across the maternity division, improvements such as increasing training for midwives in very brief advice and implementing the BabyClear risk perception intervention.

Our Priority Effectiveness	To deliver our risk adjusted neonatal mortality within 1% of the National Neonatal Mortality Rate Level 3 – Complete
What we said we'd do	<p>The National Neonatal mortality rate (NNMR) is accepted to be a useful indicator of the effectiveness of a perinatal healthcare system and two-thirds of infant deaths occur in the neonatal period (<28 days). The neonatal service at Liverpool Women's cares for one of the largest populations of preterm babies in the NHS and it is extremely important that survival of these babies is monitored to ensure that the quality of the care that we are providing is maintained.</p> <p>We benchmark our mortality against the national NMR published from the Office of National Statistics, having committed to remaining within 1% of the NNMR and reported to Effectiveness Senate. Furthermore, we benchmark against mortality data from VON (Vermont-Oxford Network), a collaborative network of neonatal care providers both nationally and internationally, which is committed to improving the quality of new-born infant care.</p>
What the data shows	<p>The latest available data (2017) from the VON network for all infants <1500g, born in Liverpool Women's Hospital shows the mortality rate was 20%. Though this falls out with the interquartile range for units who participate in VON throughout the UK, it is notable that the data has not been adjusted to take account of the specialist care we provide. We are a regional referral centre for fetal medicine and neonatal intensive care, meaning we look after a large number of high-risk pregnancies. As a result, we would expect to have a higher mortality rate when compared with units that do not provide this same level of specialist care.</p> <p>Considering our data in comparison to the most recent data from the ONS from 2017 which gives a UK national NMR of 2.8/1000 live births. The data for LWH in 2018/19 for babies both booked and delivered at LWH the rate is less than the national NMR at 2.3/1000 live births. If we include babies born in LWH following ante-natal transfer for specialist care the mortality rate is higher at 3.5/1000 live births, but still within 1% of the national NMR.</p>
What happens next?	<p>Data Source: Office for National Statistics (ONS), Vermont Oxford Network Note: NMR is calculated as the number of deaths per 1,000 live births</p> <p>The Trust will continue to benchmark against national data from the Office of National Statistics and annual data from Vermont-Oxford Network.</p> <p>Having recently introduced the national perinatal mortality review tool, with external representation and parental engagement we will continue to ensure a high quality review process with a focus on learning, reporting and action to improve future care.</p>

Our Priority Effectiveness

Increase compliance with NICE Quality Standards **Level 3 – Complete**

What we said we'd do

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

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

What the data shows

The data shows that:

- Implementation plans for all relevant NICE Quality Standards in each division are agreed and recorded monthly.
- All NICE Quality Standards released in 2018-19 have been considered for applicability to the Trust and where applicable, allocated appropriately.
- NICE Quality Standards which are recorded as being 'fully implemented / compliant' were considered for inclusion in the Annual Clinical Audit Forward Plan.
- In order to increase oversight of delivery of the Quality Standards, this is reported monthly to the Information Team via the Governance Databook and quarterly at both the Effectiveness Senate and the Quality Committee.
- Of the 5 NICE Quality Standards deemed applicable, 3 (60%) have completed baseline assessments and we are fully compliant, the remaining 2 (40%) have baseline assessments in progress to establish compliance.

Guidance ID	Guidance Title	Baseline Assessment complete Y/N	Guidance Status
QS169	Developmental follow-up of children and young people born preterm	Y	Fully implemented
QS172	Endometriosis	Y	Fully implemented
QS173	Intermediate care including reablement	Y	Fully implemented
QS178	Sexual Health	N	Fully implemented
QS179	Child abuse and neglect	N	Fully implemented

Data Source: NICE National Quality Standards

What happens next?

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

Learning from Deaths

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

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

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

The below table provides an overview of all reviews or investigations conducted for each adult and perinatal deaths within LWH. The quarterly percentage includes both adult and perinatal deaths, in total there were 110 deaths, of this 6 were expected gynaecological oncology patients on a palliative care pathway and the remaining 104 deaths were infants who died as a result of their severity and/or complexity of their clinical condition

Overall deaths by Quarter (adult and paediatric deaths)	Number	Case Record Review / Investigation
Quarter 1	25	25
Quarter 2	22	22
Quarter 3	34	34
Quarter 4	29	29
Total	110	110

Overall deaths % (adult and paediatric deaths)	%
Estimate of number of deaths during reporting period April 2018 – March 2019 for which case review or investigation has been carried out	100%
Number of the patient deaths during the reporting period April 2018 – March 2019 are judged to be more likely than not to have been due to problems in the care provided to the patient	0
Number of overall deaths as a percentage in Q1 (No of overall deaths – 25)	24%
Number of overall deaths as a percentage in Q2 (No of overall deaths – 22)	22%
Number of overall deaths as a percentage in Q3 (No of overall deaths – 34)	29%
Number of overall deaths as a percentage in Q4 (No of overall deaths – 29)	25%
A revised estimate of the number of deaths during the previous reporting period taking into account the deaths judged to be more likely than not to have been due to problems in the care provided to the patient.	0

Neonatal

All deaths which occur on the neonatal unit are reviewed as part of a well-established robust Morbidity and Mortality review process, which occurs every 2 weeks. The unit deals with not only local babies but also receives babies from around the north-west region and outside the region if required. The deaths on the unit relate to the complexity and the severity of condition of the babies who are admitted to and cared for on the neonatal unit.

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

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

They will thereafter, complete an Adult Mortality Audit Sheet on Ulysses Risk Management System within 48 hours of the patient's death. This records performance against a predefined set of standards, using the recognised and validated methodology detailed in PRISM studies. In each clinical area, the Clinical Director provides feedback to clinicians if individual errors or omissions in care have been identified by use of this audit tool. The Head of Governance and Quality, the Quality Improvement Lead and Governance Facilitator analyse the data and identify any emerging Trust-wide themes. These are highlighted and reported in the Quarterly Adult Mortality Report. If any deaths are graded as NCEPOD ratings 5 or <3 (very poor/poor care) on structured judgement review (SJR), then a second stage review will be performed according to the Royal College of Physicians SJR process.

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

Seven Day Hospital Services

The Seven day hospital services ambition is for patients to be able to access hospital services which meet four priority standards every day of the week.

A substantial body of evidence exists which indicates significant variation in outcomes for patients admitted to hospitals in an emergency, at the weekend across the NHS in England. This variation is seen in mortality rates, patient experience, length of hospital stay and re-admission rates. Additionally, medical, nursing, other health professional and managerial staffing levels, as well as trainee doctors' perceptions of supervision by consultants, also vary by day of the week.

To tackle this, in 2013 the NHS Services, Seven Days a Week Forum developed 10 clinical standards to end variations in outcomes at the weekend.

The Liverpool Women's NHS Foundation Trust has completed 6 - self assessments to date (last in autumn 2018) of the required standards. Standards 1,4 7, 9 & 10 for continuous improvement have been met and standards 2,5,6, have not been met and actions have been identified to make improvements. Standard 8 has also been assessed as being met.

STANDARD	SELF ASSESSMENT	SCORE
Priority Standard 2 – All emergency admissions must be seen by a suitable Consultant at the latest within 14 hours from time of admission.	Consultant of the week model introduced in November 2018 0900-1700 Monday to Friday. It is anticipated this will have a significant impact on 14 hour review performance.	Not met
Priority Standard 5 – Hospital inpatients must have 7 day access to diagnostic services and Consultant directed diagnostic tests.	No formal arrangements for this but there are pathways in place for ad hoc diagnostics. This access is not ring-fenced and clinicians spend a lot of time negotiating transfers and transport of patients to the acute site.	Not met
Priority Standard 6: Hospital inpatients must have timely 24-hour access to consultant delivered interventions either on site or through formally agreed arrangements.	Key consultant delivered interventions can be accessed but these are generally provided outside specialty specific guidance due to stand-alone site of LWH. No formal arrangements but there is an ad-hoc understanding with the acute sites.	Not met
Priority Standard 8: All HDU patients have twice daily Consultant review and at least once every 24 hours once a clear pathway has been agreed.	100% return was achieved in this important standard. Care is also provided off –site to women admitted in other hospitals e.g. RLBH/Aintree.	Met

Providing the Best Patient Experience

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

Our Priority Experience

Increase the percentage of staff recommending the Trust as a place to work

Level 3 - Complete

What we said we'd do

Aim to increase the percentage of staff who would recommend the Trust as a place to work and increase overall levels of engagement as measured by the Staff Survey.

This includes taking actions around leadership training, providing managers with core skills, improving internal communications, ensuring staff can contribute to quality improvement and review reward and recognition structures.

What the data shows

Overall, the data shows a trend of stability rather than progress. However in the local context of change and the fact that the national picture is one of a downward trend, this stability can be viewed positively.

LWH Staff Survey Results

Would you recommend as a place to work? (Staff Survey)

2016	2017	2018
56%	61%	60%

Would you recommend as a place to have treatment? (Staff Survey)

2016	2017	2018
81%	80%	78%

Data Source: NHS Staff Survey (Picker Institute)

What happens next? The Putting People First Strategy has now been updated and approved by the Board. A formal launch of the strategy will take place in May 2019. To drive delivery of this five year strategy, action plans will be developed which incorporate a focus on any key areas for improvement identified within the annual surveys each year, thus ensuring focus on the right things at the right times.

Our Priority Experience	Increase the Trust's staff engagement score	Level 3 - Complete
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What we said we'd do There are well evidenced links between staff engagement and good outcomes for patients. By supporting our staff to develop, listening to their feedback and involving them in decision –making we aim to improve both staff and patient experience. It is measured via the engagement score in the annual staff survey and reported to Experience Senate.

What the data shows Although the overall engagement score is flat compared with the previous year, it remains positive when measured against a similar national trend which is also showing a flat score of 7.0.

Overall engagement score (Staff Survey- out of a maximum of 10)

2016	2017	2018
6.9	7.0	7.0

Data Source: NHS Staff Survey (Picker Institute)

What happens next? Trust-wide and divisional action planning will drive identification of key focus areas for 2019/2020.

Ongoing focus will continue in relation to investment in leadership training, improving quality of Personal Development Reviews (PDRs) and objectives, systematic multidisciplinary workforce planning, improved local communications and staff involvement processes.

Our Priority Experience	We will promote a positive experience that allows the trust to deliver a high quality carer and family experience	Level 3 - Complete
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What we said we'd do Respond to themes from PALS, Complaints and Feedback and surveys. This will begin with improving patient access to telephone triage systems and will be reported to Experience Senate.

What the data shows The data shows that 9.7% of the Patient Advisory and Liaison Service (PALs) contacts for 2018/19 involved an element of telephone calls not being answered in the Trust. This is up from 5.5% in 2017/18, 70% of these concerns relate to trying to access the administration and admissions teams. These issues were identified through the year and steps put in place to address them. The main cause was reduced staff numbers in these teams. Actions have been taken to increase the numbers and bolster the systems. A noticeable decrease has been noted in Q4 of 2018/19. Continued systems limitations, such as no engaged tone, IVR messages or queue information, continue to exasperate problems with telephone contacts into the hospital.

It has been identified that whilst the scores for the Friends and Family Test (FFT) are generally good, the response rates continue to require improvement to ensure we are getting a true reflection of the experience of our patients. We have continued to push this message to staff and provided instructions about the feedback collection methods to ensure all areas understand their responsibilities within this process.

To support the improvement needed in response rates we have this year also provided a Text message service that provides patients with a web link to complete, via their mobile phone, the F&F Test once they have had an appointment or contact with the hospital. We have an updated version of the web page available on our Website and will be encouraging staff and volunteers to take these surveys electronically directly from the patients whilst they are at the Hospital.

These responses will automatically feed directly into the Trust results, giving us more timely performance indicators than the current card method, which has a time delay whilst they are being returned, collected and manually entered.

5.5%
2017/18

9.7%
2018/19



Increases are a direct result of changes to a more comprehensive recording of all telephone contact concerns raised by patients.

Data Source: Ulysses Risk Management System

What happens next? New telephony system software has already been purchased by the Trust and is currently with the Project Management Office to handle implementation. This software will provide the system capabilities needed to address some of the issues identified. Friends and Family Test response rates will continue to be monitored to assess the impact of the text system implementation. The progress of these issues will continue to be monitored via the patient experience senate.

Our Priority Experience

Health & Wellbeing; to improve staff health and wellbeing (HWB)
Level 3 – Target Achieved

What we said we'd do

We will strive to create a workforce that is aware of and takes ownership of how to maintain its physical and psychological welfare. This includes a culture in which leadership is focussed on the wellbeing of its staff. There will be a range of accessible and utilised facilities, information and resources to support individuals and leaders to maintain a culture of wellbeing.

Positive Actions: -

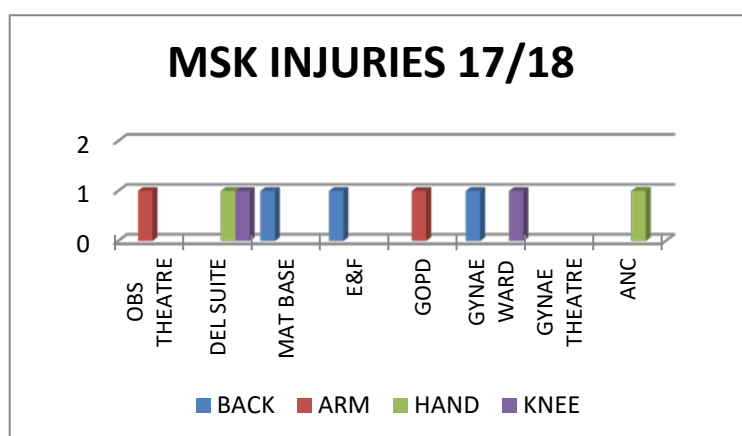
Physical Health	Mental Health
<ul style="list-style-type: none">• Lunch time walks• Lunch time runs• Yoga and Zumba after work• Monthly HWB newsletter• Table Tennis• Intranet HWB page	<ul style="list-style-type: none">• Coffee Buddies• Rock Choir• Yoga and Zumba after work• Monthly HWB newsletter• Quiz Nights• Intranet HWB page
<ul style="list-style-type: none">• Wellbeing Interactive Zone• HWB Website – links to Counselling, Physio, OH, current and up-coming events• Workplace Wellbeing Charter• HWB extravaganzas• Physical Challenges• Theme of the Month stand in Reception for Healthy Living• Communication initiatives	<ul style="list-style-type: none">• Wellbeing Interactive Zone• HWB Website – links to Counselling, Physio, OH, current and up-coming events• Workplace Wellbeing Charter• Continuing trainers for MH First Aiders• Mental Health Awareness Day to link with World Mental Health Awareness Day• Theme of the Month stand in Reception for Healthy Living• Communication initiatives• PDR Paperwork modified to address HWB conversation• Leadership programme includes aims to link HWB to leadership and• HWB for managers workshop• Bake Offs• Mindfulness sessions with links to internet sites

What the data shows

Staff Survey results over the last 3 years for health and wellbeing remain stable, although there has been a significant improvement in perception of Organisation taking HWB seriously and in staff reporting stress in the last year. This is at variance with the national trend. There is a significant rise (15.7-19.7%) over the last year in staff reporting MSK problems but the 3 year trend remains stable. The national average score for MSK problems is 39.8% The scores are self-assessed and reflect people's perception.

MSK Reported Injuries

Interrogation of the Ulysses incident reporting system showed that nine incidents of musculoskeletal injuries were reported in the 2017/18 period. Only one of these incidents was attributed to people handling.



Apart from one additional back injury caused by a faulty door, the remainder of the incidents reported actually resulted in soft tissue injury rather than muscle injury.

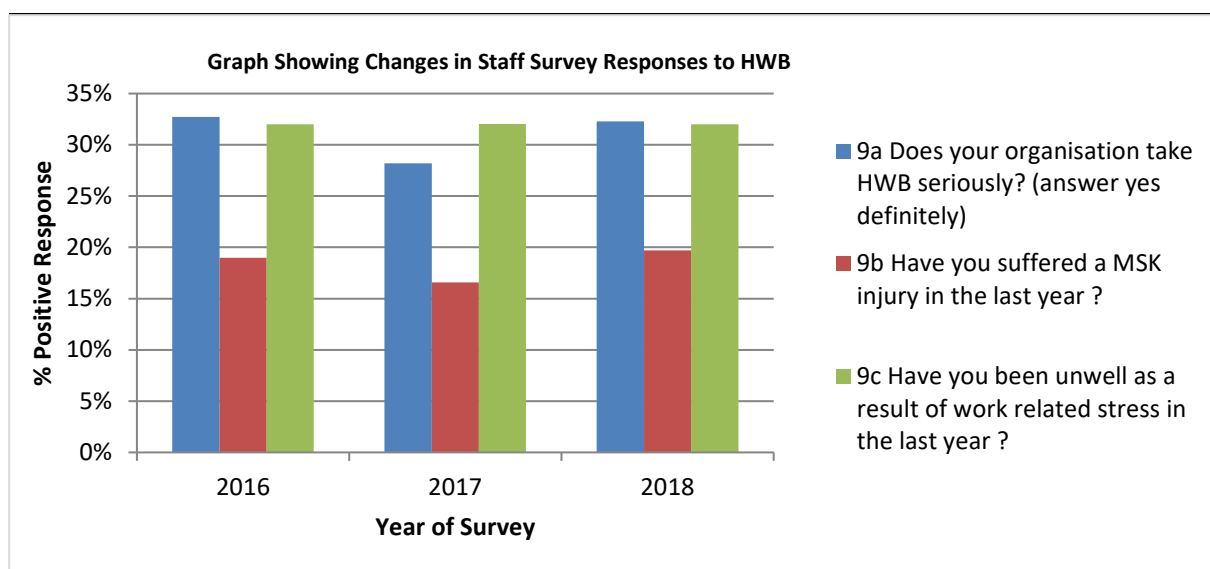
The figures provided by HR with regards to a 19% absence rate for musculoskeletal injury or condition does not stipulate whether the injury or condition was work related. As part of the NHSI Sickness Group Project, the Health and Safety Manager is working with the Workforce Information Manager to further explore these figures in an effort to identify whether musculoskeletal related injuries or conditions were work related and, if so why is there an under reporting of such incidences and how do we improve upon this.

Staff may experience muscular skeletal (MSK) injuries and visit their GP but may not take time off work, or report the injury. Similarly, people may experience pressure or stress without either reporting this to the managers or taking sick leave.

The HWB focussed strongly on mental health support in 2018 and this may be reflected in the improvement in score over the last year.

LWH Staff Survey Health & Well Being Results

	2018 LW Result	2018 Acute specialist Trust median	2018 Acute Trust median
9a % of staff stating that they believe LWH takes Health & wellbeing seriously	32.3% ↑	33.6%	27.8%
9b % of staff stating they suffered from MSK injuries in the last year	19.7% ↑	24.5%	28.7%
9c % of staff experiencing work related stress in the last year	32% ↓	35.9%	38.9%



Data Source: NHS Staff Survey

What happens next?

Our focus, in addition to continuing our current range of activities will be to enhance the HWB element of PDR discussion which we will highlight in training and through a webinar to ensure managers share relevant information and address specific issues.

The HWB Group will incorporate more clinical staff into the membership to provide better input and to improve dissemination of information as these are the hardest....?

To support mental wellbeing, we continue to train 10% of the workforce as mental health first aiders, and we make the link between health and wellbeing and good leadership more explicit in our Leadership programme. The current HWB Plan runs until June 2019.

Using the NHS Employers tool '*How Are you Feeling Today?*', we are introducing a survey programme to identify pressure hotspot times and will be working with managers to understand reasons and work with staff to identify potential strategies to reduce hot spots. The survey includes qualitative and quantitative information, using data and staff comments.

We will continue general and Mental Health Wellbeing extravaganzas in order to raise awareness and gather information from staff.

Additional workshops: HWB for Managers and Resilience for Managers have been introduced to provide managers with tools and approaches to support their own staff.

We are currently working with NHSI on sickness improvement with a focus on causes of sickness related to MSK.

HWB will be embedded in the new Leadership Strategy and will support the Fair and Just Culture.

Priorities for Improvement in 2018-19

As has been outlined in the report so far, the Trust has 3 clearly defined quality goals; to reduce harm, to reduce mortality and to provide the best patient experience. You have seen already how we have performed during 2018-19; the tables below set out what our priorities will be in the coming 12 months.

Our priorities are a combination of national and local issues and wherever possible are identified by as wide a range of stakeholders as possible as well as by the Trust. This includes patients, their families, the wider public, our staff and commissioners. We have held listening events and engagement sessions to allow all our stakeholders the opportunity to assist in choosing this year's priorities. The priorities are driven by the Trust's Quality Strategy and will allow us to achieve our vision of being the recognised leader in healthcare for women, babies and their families

Reduce Avoidable Harm

Core Principle: Safety

Improvement Priority	Why is this important, how is it measured and where will it be reported
Zero never events	<p>A 'Never Event' is an event which has been identified by NHS Improvement that should never occur during a patient's care. There are currently 15 listed in national guidance.</p> <p>The Trust takes extremely seriously its duty to prevent harm and provide care in a safe environment. This will be monitored via our Ulysses incident reporting system and reported to Safety Senate.</p>
Reduce medication incidents resulting in harm	<p>Where a medication incident results in harm for the patient, this may have a significant not only from that medication but on their overall condition. Therefore medication incidents are a serious issue which the Trust is working to reduce and ensure safe care.</p> <p>Improving the reporting culture and having the correct processes to review and learn can have a positive impact on patient safety. This will be measured using data from the Trust's Ulysses system and reported to Safety Senate.</p>

Improvement Priority	Why is this important, how is it measured and where will it be reported
100% sepsis screening	The Trust takes extremely seriously its duty to prevent infection and provide care in a safe environment. The early identification of Sepsis is a priority as this will affect the outcome for the patient. The Trust is working to ensure that the 100% screening target is met and maintained. This will be measured using data from the Infection Control Department and reported to Safety Senate.
Reduce avoidable readmissions	Readmission is not a good experience for the patient or for the Trust and we are working to ensure that this does not occur. Planning patient discharges as early as possible and ensuring clear discharge plans are in place leads to safer care. Targeted clinical audits to understand patient flow are in place and reported to Safety Senate.
Reduce avoidable returns to theatre	There are a number of reasons why a patient may need to return to Theatre. The Trust is working to understand the issues when this occurs and ensure that avoidable return to theatre is reduced. By monitoring each reason for return to theatre, we are working to understand why patients are returned to theatre unexpectedly including analysing variation as part of the revalidation process. Conducting root cause analysis and learning from these investigations will be reported to Safety Senate.
Reduce avoidable term neonatal admissions	A key aim of the Trust and its staff is the safety and welfare of our patients. Minimising term admissions reduces potentially avoidable separation of mothers and babies, reduces unnecessary investigation and treatment and allows better utilisation of resources in the neonatal unit. This will be monitored using routinely collected hospital activity data and the neonatal admissions database and reported to Safety Senate.

Achieve the best clinical outcomes

Core Principle: Effectiveness

Improvement Priority	Why is this important, how is it measured and where will it be reported
Zero maternal deaths	A key aim of the Trust and its staff is the safety and welfare of our patients. Mortality data is crucial for all hospitals in identifying shortcomings in care and learning lesson to improve safety and quality of the patient experience. This will be measured using HES data and reported to Effectiveness Senate.

Improvement Priority	Why is this important, how is it measured and where will it be reported
Zero unexpected deaths in women having gynaecological treatment	A key aim of the Trust and its staff is the safety and welfare of our patients. Mortality data is crucial for all hospitals in identifying shortcomings in care and learning lessons to improve safety and quality of the patient experience. This will be measured using HES data and reported to Effectiveness Senate.
Reduce avoidable stillbirth	The safe delivery of all babies is the goal of our midwifery service and the Trust. Our aim is to ensure that the service we provide is to a high quality and safe. Stillbirth is potentially preventable through early intervention and learning lessons from times when it has gone wrong. This priority will be measured using HES data and reported to Effectiveness Senate.
Reduce avoidable neonatal deaths	Neonates are some of the Trust most vulnerable patients. They can have multiple issues which mean that they may not survive. Our aim is to ensure the quality of care we provide is of the highest level, it will be monitored using local data along with information from the Office of National Statistics and reported to Effectiveness Senate.
Increase compliance with NICE Quality Standards	NICE Quality Standards are nationally set and benchmarked to ensure that they are recommending the highest level of quality to strive for. It is always the aim of the trust and its staff to provide the best care and be the best service that we can be. Through reviewing and implementing NICE Quality Standards we can work towards being the best service. We will monitor compliance with quality standards helps ensure the trust is working to best practice. This will be measured using information from the Clinical Audit team and reported to Effectiveness Senate.

Provide the Best Patient Experience

Core Principle: Experience

Improvement Priority	Why is this important, how is it measured and where will it be reported
Increase the percentage of staff recommending the Trust as a place to work	We want all patients to have a good experience with the care they have received whilst at LWH. Listening to feedback helps us respond to patient concerns and informs us when we make decisions about how our services are provided. This priority will be measured using data from NHS England and reported to Experience Senate.

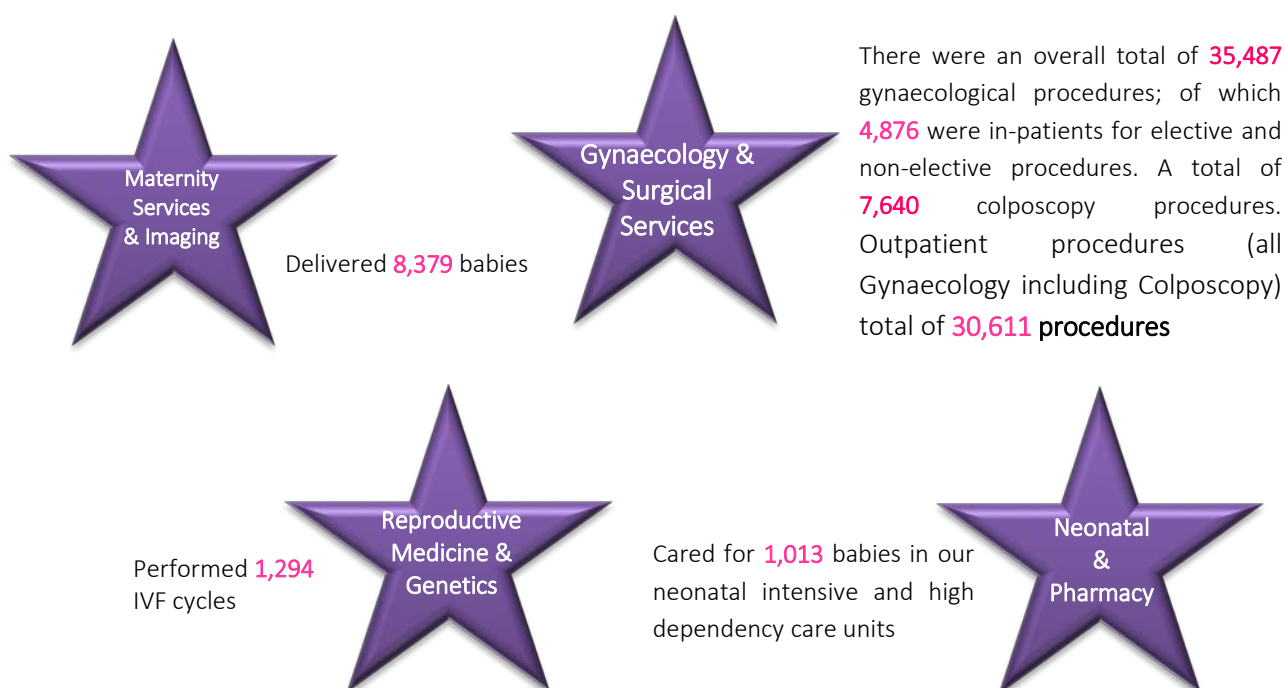
Improvement Priority	Why is this important, how is it measured and where will it be reported
Increase the Trust's staff engagement score	<p>There are well evidenced links between staff engagement and good outcomes for patients. By supporting our staff to develop, listening to their feedback and involving them in decision –making we aim to improve both staff and patient experience. It is measured via the engagement score in the annual staff survey and reported to Experience Senate.</p> <p>Our Putting People First Strategy has recently been approved by the Board and sets out our strategic aims for the next 5 years. Following a formal strategy launch in May 2019, action planning will commence to identify focus areas for the coming 12-18 months.</p>
Reduce PALS contacts regarding patient access to triage systems	<p>The PALS service role is to support patients when they have a concern or a complaint about their care, a service or the Trust. These are dealt with on an individual basis until the patient is satisfied. As part of the wider process we look to identify if there are any themes to the issues being shared by patients and if so what can we learn and how can we improve. We will work to respond to themes from PALS, Complaints, and Feedback & Surveys. In March 2018 the Trust has implemented a new Patient Experience Strategy to support this process. This will report to Experience Senate.</p>
Health & Wellbeing; to improve staff health and wellbeing	<p>We will strive to create a workforce that is aware of and takes ownership of how to maintain its physical and psychological welfare. This includes a culture in which leadership is focussed on the wellbeing of its staff. There will be a range of accessible and utilised facilities, information and resources to support individuals and leaders to maintain a culture of wellbeing.</p>

Statements of Assurance

The Trust is required to include statements of assurance from the Board. These statements are nationally requested and are common across all NHS Quality Accounts.

Review of Services

During 2018/19 the Liverpool Women's NHS Foundation Trust provided and/or sub-contracted 4 relevant health services:



Liverpool Women's NHS Foundation Trust has reviewed all the data available to them on the quality of care in four these relevant health services.

The income generated by the relevant health services reviewed in 2018/18 represents 100% of the total income generated from the provision of relevant health services by the Liverpool Women's NHS Foundation Trust for 2018/19.

Participation in Clinical Audit

During 2018-19, 8 national clinical audits and 4 national confidential enquiries covered relevant health services that Liverpool Women's NHS Foundation Trust provides. During 2018-19 Liverpool Women's

NHS Foundation Trust participated in 100% of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Liverpool Women's NHS Foundation Trust participated in, and for which data collection was completed during 2018-19, are listed below alongside the percentage of the number of registered cases required by the terms of that audit or enquiry.

Relevant National Clinical Audits	Did the Trust participate?	Cases Submitted
Neonatal Intensive and Special Care (NNAP)	✓	100%
National Comparative Audit of Blood Transfusion Programme – Massive haemorrhage	✓	100%
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK) – Perinatal Mortality	✓	100%
National Pregnancy in Diabetes Audit (NPID)	✓	100%
National Maternity and Perinatal Audit (NMPA)	✓	100%
National Comparative Audit of Blood Transfusion Programme – Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children	✓	100%
Learning Disability Mortality Review Programme (LeDeR)	No cases to submit	
National audit of the Management of Maternal Anaemia	✓	100%
Serious Hazards of Transfusion (SHOT) (<i>actions to be included in annual Bedside Transfusion Audit report</i>)	✓	100%

Relevant National Confidential Enquiries	Did the Trust participate?	Cases Submitted
Maternal, New-born and Infant Clinical Outcome Review Programme (MBRRACE-UK) – Maternal Deaths	✓	100%
Perioperative Diabetes	✓	100%
Pulmonary Embolism	✓	Study is still open and the figures have not been finalised
Acute Bowel Obstruction	✓	Study is still open and the figures have not been finalised

The report of 1 national clinical audit was reviewed by the provider in 2018-19 and the remaining reports are expected later in 2019/20; the Trust intends to take relevant actions to improve the quality of healthcare provided.

National Clinical Audits	Actions Taken
Neonatal Intensive and Special Care (NNAP)	Due to poor documentation of parental presence in ward rounds, further education on documentation was provided to the team by highlighting this issue in the clinical governance and junior doctors teaching sessions.

	<p>Due to data extraction problems with NNAP via Badgernet, quarterly reports are now sent to the LWH Lead from NNAP for confirmation of data accuracy and data quality is now actively monitored via the Badgernet system.</p> <p>A new clinic pathway with a Neuro-disability community paediatrician has been developed to improve the 2 year assessment as per new NICE guidelines.</p>
National Comparative Audit of Blood Transfusion Programme – Massive haemorrhage	Awaiting National Report.
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK) – Stillbirth	Awaiting National Report.
National Pregnancy in Diabetes Audit (NPID) 2018	Awaiting National Report.
National Maternity and Perinatal Audit (NMPA)	Awaiting National Report.
National Comparative Audit of Blood Transfusion Programme – Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children	Awaiting National Report.
Learning Disability Mortality Review Programme (LeDeR)	Although we planned to participate in this project, we had no cases to submit.
National audit of the Management of Maternal Anaemia	Awaiting National Report.
Serious Hazards of Transfusion (SHOT) <i>(actions to be included in annual Bedside Transfusion Audit report)</i>	Awaiting National Report.

The reports of 48 local clinical audits were reviewed by the provider in 2018-19 and Liverpool Women's NHS Foundation Trust has either already taken or intends to take the following actions to improve the quality of healthcare provided. This is a selection of key actions that have improved healthcare or made a difference to patients as a result of local clinical audit; they are those we feel are most relevant from our Clinical Audit programme this year.

Liverpool Women's Hospital (LWH) guidelines on Rotavirus vaccination re-audit

As a result of this audit, the Immunisation guideline to clarify the age (in days) at which babies are due their first set of Rotavirus vaccinations was updated. Following discussions with the Badgernet team regarding issues entering Rotavirus swab alert following vaccination for barrier nursing, we were informed that swab alert is now obsolete and nursing staff now log this as 'barrier nursed' on Badgernet. To help improve the rates of barrier nursing, a rotavirus vaccination pack with a checklist prompting the completion of a swab alert on Badgernet and a yellow dot sticker with an end date put on cot as a reminder was considered. As a result of this a decision was made for this to also be logged as 'barrier nursed' on Badgernet. Finally, a Lesson of the Week was distributed to all relevant staff and results of the audit were presented at a clinical governance day in order to educate relevant staff regarding the Rotavirus immunisation schedule and documentation regarding immunisation.

To monitor the risk assessment and surveillance of fetal growth restriction (Part A & B)

Although this audit evidenced some positive areas of compliance, there were still some areas where improvements were required. Due to infrequent & inaccurate plotting of Fundal Height (FH) & Estimated Fetal Weight (EFW) on the growth chart a multi-disciplinary training session by the Perinatal Institute is to be implemented. With regards to long intervals between the last Ultrasound Scan (USS) & birth; a change in the gestations of serial USS at LWH, guided by a regional guideline is being developed by the 'North West Fetal Growth Restriction Group' and a re-audit is to be considered in 2020-21.

Auditing the compliance against Domestic Abuse Protocol/Procedure

The findings of this audit demonstrated that staff can recognise and report concerns to the Safeguarding Team and are completing Safeguarding referrals for the appropriate cases. It was found that the majority of referrals were processed by the Safeguarding Team themselves and those that were not occasionally lacked information. It was agreed that enhanced staff training would prove beneficial in enabling staff to become more self-sufficient with regards to completing referrals and therefore, a review of Level 3 Children's Safeguarding Training to include case studies and specific actions required will be implemented. Team leaders and senior staff will also be identified who can then be updated with how to complete CAADA DASH risk assessments for patients who disclose domestic abuse. This will also allow for referrals to be completed more confidently and in a timely manner; for example, out of hours.

Review of prenatal practice following introduction of Situation Background Assessment Recommendation (SBAR) and weekly update of cases re-audit

This re-audit found that significant improvements have been made in relation to prenatal practice following the introduction of SBAR based on the previous audit findings. All cases are now reviewed as a standard agenda item at the start of case discussion meetings and there has been successful integration of SBAR into departmental working. Staff awareness has been raised in relation to following Prenatal SBAR and educating new and future users is now standard practice. This will ensure a unified way of working and further improve patient care.

Assess compliance with Hystero-salpingo Contrast Sonography (HyCoSy) criteria and patient experience

As a result of this audit discussions have taken place in clinical meetings to clarify previous wrong referrals and how they can be avoided in the future. The HyCoSy referral form has been rewritten and distributed and the patient information leaflet has been reviewed and updated. These changes will ensure that clear and accurate information; especially with regards to HyCoSy associated pain and cancellation risk, is issued and will improve patient experience.

An audit of the standards of the reporting of query Pregnancy of Unknown Location (PUL)

The results of this audit showed a lower compliance rate for reporting endometrial findings in comparison to those reporting on uterus, ovaries, pelvic masses and free fluid findings. A meeting was held with the Early Pregnancy Assessment Unit (EPAU) Consultants to gain their opinion on the consistency of reporting of endometrial findings. The template for reporting on this type of scan was presented and it was decided that due to the complex nature and considerable variation when reporting query ectopic scans, each report should be completed free hand; without a template and the findings of the uterine cavity would be detailed. This will ensure greater accuracy of reporting on endometrial findings and potential diagnosis.

Appropriate use of Emergency O-RhD Negative red cells at LWH in 2017 re-audit: 2018-19

This re-audit highlighted some important areas where improvement can be achieved. Following this re-audit, clinical staff will be educated and instructed on the NHS Blood & Transplant (NHSBT) guidelines as well as the local massive haemorrhage protocol and how this applies in and out of hours in terms of activation of the protocol and gaining blood. The findings of this audit will also be distributed and discussed Trust-wide alongside the Risk Team. The Massive haemorrhage protocol will be displayed in all relevant clinical areas to raise awareness and encourage compliance. The findings of this re-audit will initiate actions that will undoubtedly improve Staff awareness and vigilance therefore better improving patient care and compliance to National standards.

Audit to assess outcome of Novasure ablation

Although this audit demonstrated that current practice of Novasure ablation has a high success and satisfaction rate, a number of changes in practice have been implemented that are believed to be of further benefit to both patient and practice. The changes implemented based on the results of the audit were to stop measuring Myometrial Thickness (MT) in patients without uterine scar, to lower criteria of MT to 6mm in patients with uterine scar, to improve documentation about contraception and to consider doing sterilization and ablation as separate procedures where possible. It is believed that these changes will offer more flexibility to both the patient and the clinician with regards to treatment options and post treatment care. Following the implementation of these changes, the findings will be re-audited and results compared.

What is Clinical Audit?

Clinical audit is a quality improvement cycle that involves measurement of the effectiveness of healthcare against agreed and proven standards for high quality, and taking action to bring practice in line with these standards so as to improve the quality of care and health outcomes.



The Trust annually prepares a Clinical Audit Programme. This programme prioritises work to support learning from serious incidents, risk, patient complaints and to investigate areas for improvement. The results of all audits, along with the actions arising from them, are published in the Trust Clinical Audit Annual Report and on the Trust's intranet to ensure all staff are able to access and share in the learning.

Participation in Clinical Research

The Trust is continually striving to improve the quality of its services and patient experience. Research is recognised by the organisation as being pivotal to this ambition.

During 2018/19 we have continued our efforts to contribute to quality National Institute for Health Research (NIHR) studies and to maintain our subsequent numbers of NIHR recruitment accruals. We also continue to focus our efforts on collaborative research with academic partners to ensure the research we conduct is not only of high quality, but is translational, providing clinical benefit for our patients in a timely manner.

Our commitment to conducting clinical research demonstrates our dedication to improving the quality of care we offer and to making our contribution to wider health improvements. Our healthcare providers stay up to date with new and innovative treatment options and are able to offer the latest medical treatments and techniques to our patients.

The number of patients receiving relevant health services provided or sub-contracted by Liverpool Women's NHS Foundation Trust in 2018/19 that were recruited during that period to participate in research approved by a research ethics committee was 2,374 of which, 2,005 were recruited into NIHR portfolio studies.

Liverpool Women's was involved in conducting 117 clinical research studies across our speciality areas of maternity, neonates, gynaecology oncology, general gynaecology, reproductive medicine, anaesthetics and genetics during 2018/19. At the end of 2018/19 a further 29 studies were in set up, including 4 industry studies.

There were approximately 228 clinical staff contributing to research approved by a research ethics committee at Liverpool Women's during 2018/19. These staff contributed to research covering a broad spectrum of translational research from basic research at the laboratory bench, through early and late clinical trials, to health systems research about healthcare delivery in the community.

Our research has contributed to the evidence-base for healthcare practice and delivery, and in the last year, 92 publications have resulted from our involvement in research, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS.

Key research achievements during 2018/19 can be summarised as follows:

- Preventing Post Traumatic Stress Disorder: the Stress and Wellbeing after Childbirth Study (STRAWB2)": This definitive trial, funded by the NIHR Research for Patient Benefit programme (£348,363), compared self-help material with usual care for women screened to be at risk of developing Post-Traumatic Stress Disorder (PTSD) after childbirth. The self-help material aimed to help women to understand and manage their early responses, based on psychological research. The trial opened at the beginning of April 2017 and was delivered on time and within budget at the end of January 2019.
- The Minidex trial, in receipt of funding of approximately £515,429 from the Efficacy and Mechanism Evaluation (EME) Programme, successfully novated from Leeds Teaching Hospital NHS Trust to the Trust. The Minidex study, led by Dr Mark Turner investigated whether a new, reduced dose of dexamethasone will be helpful or make no difference to premature babies with lung disease. The Minidex study opened for recruitment during the summer 2017 and was delivered within budget at the end of October 2018.
- Towards the end of 2016/17 Professor Andrew Weeks was notified that he had been successful in securing a grant of approximately £1.8 million in response to a commissioned call by the NIHR HTA to fund COPE: The Carboprost or Oxytocin Postpartum haemorrhage Effectiveness study. Contracts were exchanged between the Department of Health and the Trust, and the grant was thereafter activated on time. The Trust led the agreement of a 16 party Collaborator Agreement. It is anticipated that the trial will commence towards the end of 2019.

- Research led by Dr Colin Morgan has led to the development of an idea for a new parenteral nutrition product that comprises a specific amino acid formulation concentration. The research team and the R&D Department, with the assistance of 2Bio, have worked with a team of patent attorneys to finalise and submit a patent application to protect the IP and allow the team to publish the preliminary data without other parties (especially commercial) using the information for commercial gain whilst the remaining scientific analysis is undertaken.
- During 2018/19, Dr Andy Sharp was awarded approximately £250,000 by the NIHR Research for Patient Benefit programme. The funding will support delivery of the PLANES - Placental Growth Factor Led Management of the Small for Gestational Age Foetus pilot study. It is anticipated that the clinical research study will commence during the first half of 2019/20.
- The Trust has been successful in winning the “Taking Research into Practice” award at the recent North West Coast Research and Innovation Awards 2019. The WOMAN Trial was a large, international, double blind placebo clinical trial examining the use of tranexamic acid to reduce maternal deaths and improve outcomes linked to excessive postnatal bleeding. The study findings were published in April 2017, and found that the administration of intravenous tranexamic acid within three hours of birth reduced mortality by 31%. Since then the use of tranexamic acid has been recommended as a first line treatment of PPH by the World Health Organisation. The Trust have led the way by being an early adopter of the use of tranexamic acid as a first line treatment for PPH.

Use of the Commissioning for Quality and Innovation (CQUIN) Payment Framework

A proportion of Liverpool Women’s NHS Foundation Trust’s income in 2018/19 was conditional upon achieving quality improvement and innovation goals agreed between Liverpool Women’s NHS Foundation Trust and any other person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. The main areas covered by the framework are:

- | | |
|------------------------------|--|
| • Staff Health and Wellbeing | • E-Referrals |
| • AMR / SEPSIS | • Neonatal early supported discharge |
| • Advice & Guidance | • Neonatal reduction / term admissions |

Further details of the agreed goals for 2018/19 and for the following 12 month period are available electronically at: www.liverpoolwomens.nhs.uk/About_Us/Quality_and_innovation.aspx.

The total monetary value of the income in 2018/19 conditional upon achieving quality improvement and innovation goals was £2,181,757. The monetary total for the actual payment in 2017/18 was £2,139,527.

Care Quality Commission

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

The Care Quality Commission has not taken enforcement action against Liverpool Women's NHS Foundation Trust during 2018/19.

Liverpool Women's NHS Foundation Trust has not participated in special reviews or investigations by the Care Quality Commission during the reporting period.

What is the Care Quality Commission?

The Care Quality Commission (CQC) undertakes checks to ensure that Trusts are Safe, Caring, Responsive, Effective and Well-led. All NHS Trusts are required to register with them. If the CQC has concerns about a Trust it can issue a warning notice or even suspend or cancel a Trust's



When Liverpool Women's was last formally inspected, in 29 Jan to 28 Feb 2018, the CQC rated it as **"Good"**. Full results are shown in the table that follows:

Ratings for Liverpool Women's Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Maternity	Good ↑ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018	Outstanding ↑ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018
Gynaecology	Good ↑ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018	Requires improvement ↓ Aug 2018	Requires improvement ↓ Aug 2018	Requires improvement ↓ Aug 2018
Neonatal Services	Good May 2015	Good May 2015	Good May 2015	Good May 2015	Good May 2015	Good May 2015
End of Life Care	Good May 2015	Good May 2015	Good May 2015	Good May 2015	Good May 2015	Good May 2015
Outpatients	Good May 2015	Not rated	Good May 2015	Good May 2015	Good May 2015	Good May 2015
Overall*	Good ↑ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018	Good ↔ Aug 2018

*Overall ratings for this hospital are from combining ratings for services. Our decision on overall ratings take into account the relevant size of services. We use our professional judgement to reach fair and balanced ratings.

The Trust received one Regulation 10 Breach. This was in relation to Dignity and Privacy in the Ambulatory Unit during admission and discharge procedures; this has been resolved by the provision of a separate room.

The Trust agreed an action plan with the CQC to address those areas subject to CQC recommendations in addition the action plan included where the Trust felt there could be further enhancement to the care of our patients. The action plan has been monitored monthly via the Trust Quality Committee.

Data Quality

Last year the Trust reported on two data quality and recording issues that led to two serious incidents being called in relation to breaches of national access targets – one related to patients who had been referred into the trust by a GP with suspected cancer and who had subsequently breached the 62 day target; the second incident related to failure to accurately report patients who had breached the 18 week (referral to treatment) target. Over the year the trust has made strong progress in the delivery of the significant actions arising from the data quality breaches. It should be noted that the application of new ways of working take time to be embedded and some residual issues with 18 Week referral to treatment pathways were noted in year. The trust is aware of the residual issues and is actively addressing them.

Following the trust's investigations and reviews during the first half of 2018/19 the trust invited NHS Improvement Intensive Support Team (NHSI IST) to undertake a diagnostic review and support work to strengthen the trust processes. Shortly after, an external audit of its referral to treatment and cancer data was undertaken. This external audit was in line with NHSI IST guidance and the findings of which showed the trust was reporting with a level of high accuracy of the trust's reported position with 100% accuracy for cancer pathways and over 95% accuracy for referral to treatment. The trust has also invested in a referral to treatment end-to-end solution to support both operational management and data management of patient pathways which will deliver efficiencies in process and additional assurance in data management. Work is progressing well in establishing effective business intelligence and integrated strategy for digital, IM&T and informatics; a new Data Quality Strategy is now in place and the audit committee will seek to ensure that there are effective arrangements for data quality assurance going forward. This will include the continuation of regular data quality sub-committee meetings focussing on specific specialties with representation from senior managers and clinicians.

Liverpool Women's NHS Foundation Trust submitted records during 2018-19 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data which included the patient's valid NHS number was:

98.7% for admitted patient care,

99.5% for outpatient care,

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

99.8% for admitted patient care,

99.7% for outpatient care,

This is important because the patient NHS number is the key identifier for patient records while accurate recording of the patient's General Medical Practice Code is essential to enable the transfer of clinical information about the patient from a Trust to the patient's General Practitioner.

Information Governance

In March 2019, the Trust successfully completed its first submission to the new Data Security and Protection (DSP) Toolkit. The retirement of the previous Information Governance Toolkit was followed by the introduction of a new Data Security and Protection Toolkit. This has given rise to a need for the Trust to review the way it currently operates in terms of Information Governance. Going forward the Trust will seek to reconsider how it is currently organised so that it can be assured that it is operating within this new compliance framework.

An independent audit of the Trust proposed Data Security and Protection Toolkit concluded its audit with an opinion of "Significant Assurance". Whilst "**Significant Assurance**" is welcome, it is recognised that there remain some areas that require review and further development, namely:

- Reviewing the Trust arrangements for managing Information Governance
- Reviewing the management and central control of computer systems and other information assets
- Further supporting the introduction of Data Protection by Design
- Ensuring the continued development of IG compliant processes
- Reviewing and renewing the Trust central registers to ensure they are accurate and up to date
- Taking steps to improve the compliance with Information Governance training

During 2018/2019, the Trust received a notice from the Information Commissioner's Office to improve its storage and management of personnel type records following the loss of information in response to two Subject Access Requests. The Trust is currently undertaking a review of the way such records are stored and an outline plan has been formulated. New technology is currently being assessed to see if it will provide the necessary improvements that are needed.

Clinical Coding

Liverpool Women's NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018-19 by the Audit Commission. The Trust will be commissioning its own external audit in 2019-20 in line to the Data Security & Protection Toolkit guidelines.

Duty of Candour

The Francis Inquiry report into Mid Staffordshire NHS Foundation Trust recommended that a statutory duty of candour be introduced for health and care providers. This is further to the contractual

requirement for candour for NHS bodies in the standard contract, and professional requirements for candour in the practice of regulated activity.

In interpreting the regulation on the duty of candour Liverpool Women's NHS Foundation Trust use the definitions of openness, transparency and candour used by Robert Francis in his report. The thresholds and harm definitions of moderate and severe harm are consistent with existing National Reporting and Learning System (NRLS) definitions, including prolonged psychological harm. The Trust records all specified instances in which it applies duty of candour on its Ulysses Risk Management system.

Duty of Candour requirements are covered by the Care Quality Commission's (CQC) Regulation 20. Trust Management are keen to confirm compliance with key aspects of Regulation 20, where they are aware that an incident has arisen requiring a Duty of Candour response.

The Trust has continued to work on action in relation to how duty of candour conversations with patients and relatives are conducted and how these are being recorded in patient notes. Actions have been completed to ensure that any duty of candour conversations held with patients is recorded in the patient records and on the Ulysses risk management system. During the Trust CQC inspection in 2018, no concerns were raised in relation to how Duty of Candour is being implemented

Sign up to Safety

In September 2015 Liverpool Women's was at the forefront of the national "Sign up to Safety" campaign. This campaign focused on the reduction of avoidable harms. We launched projects in November 2015 that aimed to reduce avoidable harm by 50% in 3 years by reducing the incidents of babies born with Grade 2/3 Hypoxic Ischaemic Encephalopathy and reducing the incidence of sepsis. Following development in our quality approach these two specific improvement goals were incorporated into the ambitions and goals detailed within the new Quality Improvement Strategy that was launched in April 2017.

Sign up to Safe discontinued in March 2019 and prior to the project closing the main focus of work related to safety culture. The LWH is currently in the process of developing and implementing a project related to Fair and Just Culture. This will not just be focused on one or two specific areas of the organisation but is an organisation wide change in culture and how we approach supporting staff.

Gosport

In July 2018 the Head of Governance and Quality presented a paper to the Safety Senate which outlined the results of an assessment of the Trust undertaken following the publication of the initial concerns related to Gosport Hospital. The information presented in the paper to Safety Senate provided assurance to the senate that the Trust had and continues to have robust policies and procedures in place, the use of the syringe driver had been stopped and that a culture of reporting incidents, which are reviewed and actioned appropriately. In relation to controlled drugs incidents, these incidents account for 0.008% of all incidents that occur in the trust. When controlled drug incidents occur they are reported, reviewed and actioned and any key issues are escalated to the Medicines Management Group. In relation to the Neonatal unit who are the highest users of controlled drugs, there is a robust process in place to monitor staff who are involved in medication incidents and prompt action is taken to prevent further occurrences.

Within any organisation the culture which surrounds safety and the ability to raise concerns and incidents is a vital one, especially when dealing with patient care and vulnerable persons. The Trust currently has two Freedom to Speak UP Guardians, who staff can access independently and confidentially and policies related to Whistleblowing and the reporting of incidents, all of which are to support staff in raising concerns or reporting of clinical, non-clinical and Health and Safety incidents. The Trust also has Human Resources policies in place which support staff in the raising of a grievance or a concern under the disciplinary policy.

Fair and Just Culture

At the time of the Gosport report the Trust was in the initial stages of reviewing the method of safe culture development and deciding if the Fair and Just culture process was of benefit to the organisation. This has progressed and a full project being developed and put in place, with a project lead planning a launch of the Fair and Just Culture programme in October 2019. During the time leading up to the launch, work has been ongoing in relation to training a core group of staff who will be the Fair and Just Culture champions across the organisation and starting to raise awareness with staff groups as to what is a Fair and Just Culture and how this can improve the investigation and outcome of incidents and HR concerns.

Summary of Picker Inpatient Survey 2018 – Gynaecology Inpatients

Picker is an international charity dedicated to ensuring the highest quality health and social care for all always provided.

A 'Picker' national survey of Gynaecology inpatients was commenced in July 2018. A total of 986 patients from Liverpool Women's Hospital Trust were invited to complete the survey. A total of 468 patients completed the survey, giving a response rate of 49%, which has increased from the previous year (42%). The average response rate for the 77 'Picker' Trusts was 43%, meaning that as an organisation our response rate is higher than the average.

Overall there are 72 questions which make up the inpatient survey, which are designed to examine the patient journey. The Picker average is made up of results from all the Trusts included in the annual survey. By reviewing the survey results the Trust is able to monitor trends and themes, which enables focus on those areas where there may be a decline in performance. Examining areas where performance has improved provides assurance and evidence of the effects of any service improvements or change in practice.

Results

The Liverpool Women's NHS Foundation Trust, performed better than the average in the following areas:

Q56	87% Discharge: patients given written / printed information about what they should or should not do after leaving hospital.
Q60+	86% Discharge: Told of danger signals to look for.
Q58+	75% Discharge: Told side effects of medications.
Q63	93% Discharge : Told who to contact if worried.
Q25	93% Doctors: Not talked in front of patients as if they were not there.

The Liverpool Women's NHS Foundation Trust, areas where we had most improvement from 2017 were:

Q52	14% Discharge: delayed no longer than 1 hour.
Q5	79% Planned admission: Was admitted as soon as necessary.
Q25	93% Doctors: Not talked in front of patients as if they were not there.
Q8	99% Planned admission: specialist given all the necessary information.
Q40	99% Care: enough privacy when being examined or treated.

The Liverpool Women's NHS Foundation Trust, scored below average when compared to other Trusts:

Q64+	72% Discharge: staff discussed need for additional equipment or home adaption.
Q17+	85% Hospital: Got enough help from staff to wash or keep clean.
Q70	9% Overall: Asked to give views on quality of care.
Q21+	79% Hospital : Got enough help from staff to eat meals
Q54+	74% Discharge: Got enough support from health or social care professionals.

The Liverpool Women's NHS Foundation Trust, areas where we had the least improved from the last survey:

Q3	78% A&E: right amount of information about treatment or condition.
Q21+	79% Hospital: Got enough help from staff to eat meals.
Q64+	72% Discharge: staff discussed need for additional equipment or home adaption.
Q71	24% Overall: received information explaining how to complain.
Q70	9% Overall: asked to give views of quality of care.

The Trust is ranked 77th in terms of their positive score versus the previous year; however, it is ranked 10th in terms of their overall positive score, when measured against all other inpatient organisations in Picker.

The Division of Gynaecology have reviewed the entirety of the report and its findings and a number of key areas have been identified which requires attention and implement actions to improve our patient's experience of care. In addition to this there are a number of areas which should be celebrated and continued.

Junior Doctor Staffing

Due to the known national shortage of junior doctors, and as detailed on the Trust Risk Register, the Trust usually runs with a number of gaps on the rotas across all services. The majority of these gaps are in the main covered by locum shifts from the current cohort of doctors in training. However, there is an increasing reliance on agency locum shifts in O&G, managed within the current framework agreement.

If a junior doctor or agency doctor cannot be sourced, a consultant will be asked to 'act down' and cover the junior shift, this became an increasing trend during 2018 – 2019.

The gaps fluctuate throughout the year due to maternity leave, out of programme experiences and completion of training. Also, it is worth noting that the Obstetrics and Gynaecology rotation was over established on the tier 1 rota in quarter 2. The service anticipated the number of gaps in quarter 3 and quarter 4, therefore the over established posts mitigated some of the anticipated gaps.

The Anaesthetic service actively recruits to known gaps by employing doctors who are effectively 'in-between' training at a CT3 equivalent level in their training. The service works alongside these doctors providing support where needed to help them achieve exam success where relevant, enabling them to progress to ST3 training.

The Guardian of safe working hours reports gaps and locum usage quarterly in accordance with The NHS Doctors in training contract 2016. The table below shows the number of gaps on rotas as of the start of the national rotation programme August 2018:

Speciality	No: of gaps
O&G	1
Neonates	1
Anaesthetics	1
Genetics	1

As noted in the previous Quality Report, the Trust experiences difficulty in recruiting to junior doctor gaps as most doctors are already in a training post, therefore there is a trend for Trusts to employ non-training doctors from overseas. These doctors tend to start in a junior role while they become oriented with the NHS and as their competencies progress. Once this is the case, these doctors are able to progress to the middle grade rota. The Trust's Strategic Workforce Group continues to work together to help mitigate the junior doctor shortages and develop medium and long term plans for alternative posts.

The Trust is working in partnership with Edge Hill University to employ 2 Obstetrics and Gynaecology doctors from India for a period of 3 years. The doctors are employed to complete Obstetrics and Gynaecology training while undertaking masters at the University. This has proved to be a valuable source of training for the doctors and a positive experience for the Trust as these doctors have progressed through their competencies quickly enabling them to work at a much more senior level.

The Trust is also working in partnership with the University of Liverpool and the Tropical School of Medicine, jointly employing clinical academics who will work clinically for 2.5 days and for 2.5 days in an academic capacity. Again, this has proved to be beneficial to both the Trust for training opportunities and service provision and to the trainee who can continue to work on their academic projects.

NHS Staff Survey

All Trusts are asked to include NHS Staff Survey results for their organisation showing the percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months and the percentage believing that trust provides equal opportunities for career progression or promotion.

Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months:

Trust This Year (2018)	Benchmark Average (2018)	Benchmark Best (2018)	National (2018)
14%	19%	14%	19%

Percentage of staff believing that the trust provides equal opportunities for career progression or promotion:

Trust This Year (2018)	Benchmark Average (2018)	Benchmark Best (2018)	National (2018)
88%	86%	91%	83%

Reporting against Core Indicators

All NHS Trusts contribute to national indicators that enable the Department of Health and other organisations to compare and benchmark Trusts against each other. As a specialist Trust, not all of them are relevant to Liverpool Women's. This section of the report gives details of the indicators that are relevant to this Trust with national data included where it is available for the reporting year.

28 Day Readmission Rates

The first category of patients benchmarked nationally is those aged 0-15. The Trust admits fewer than 10 patients in this age category each year and so benchmarking of readmissions with other Trusts is not of any meaning.

The table below shows the percentage of patients aged 16 and above who were readmitted within 28 days:

Trust This Year	Trust Last Year	National Average
11.3%	9.85%	14.1%

Data Source: NHS Digital 2019

Liverpool Women's considers that this data is as described for the following reasons: readmission rates can be a barometer of the effectiveness of all care provided by a Trust. Liverpool Women's is committed to providing effective care and has had this metric independently audited in 2013 and 2014.

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: continue to monitor the effectiveness of surgical and post-operative care using this indicator.

Trusts Responsiveness to Personal Needs of Patients

One of the care goals of the Liverpool Women's NHS Foundation Trust is to provide the best patient experience. We use the information provided from our patients to tell us about their experience of the treatment and care they received during their journey through the NHS and how we can be even more responsive to them than how clinically effective care has been.

To be able to achieve this we work to ensure that all patient individual personal needs are identified and dealt with in the most appropriate manner. Working with patients in partnership is key to a good patient experience which can have a significant impact on their maternity experience and the birth of their baby, their experience of the gynaecology services through the outpatients department and inpatient ward and their recovery or a peaceful death.

A close relationship is built up with parents who have babies on the neonatal unit, no matter how short a time that may be, to ensure not only that the parents can be involved in their baby's care as much as they are able but to also allow them to form a key essential bond with their baby.

Within the Gynaecology in patient service all patients have an individualised care plans in place from when they are admitted, which are updated as the patient condition changes. These are reviewed by the Matrons and Head of Nursing to ensure that they are of a high quality and meet the patient's needs.

Also within the unit there is a process of intentional rounding completed by the ward staff, ward manager and matrons to ensure that core care requirements are being met. This process is monitored via the use of the ward nursing metrics system. The gynaecology ward has also introduced a daily huddle to clearly identify patients' needs and where applicable additional support if required.

In relation to the maternity service, all women have an individualised birth plan which is developed during their pregnancy, to ensure that as far as is possible during the woman's maternity care she has the best experience she would like to have to meet with her own personal needs. Birth plans are reviewed by one of the Matrons to ensure that the plans are appropriate and written to meet the personal needs of the individual women.

A review of Quality Spot Checks was undertaken in accordance with the requirements of the Liverpool Women's NHS Foundation Trust's (Trust) Internal Audit Plan 2017/2018, as approved by the Audit Committee.

NHS Trusts are required to have robust processes in place to ensure that essential standards of quality and safety are maintained in line with standards set by the Care Quality Commission (CQC) and Health and Social Care Act (2008). The desired outcome is that a patient's experience of care is safe, positive and clinically effective.

The objective of this review was to undertake an unannounced, observational Quality Spot Check within Gynaecology, the Midwifery Led Unit and the Maternity Base. These checks took place on 29th, 30th and 31st August 2017.

The first audit by Mersey Internal Audit Agency (MIAA) was completed and found that a number of actions were required to improve the level of assurance. A follow up review was then completed in November 2018 and it was found that actions had been completed which provided for High Assurance in Gynaecology and Significant Assurance in Maternity Base.

Staff who would recommend the Trust to their family or friends

All Trusts are asked to record the percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the trust as a provider of care to their family or friends. The table below shows how Liverpool Women's compares with other specialist Trusts nationally:

Trust This Year	Trust Last Year	National Average
78%	80%	71%

Liverpool Women's considers that this data is as described for the following reasons: although below the national average when measured against Specialist Trusts, Liverpool Women's performs more favourably if grouped with other Acute Trusts

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: continue to host monthly 'In the Loop' sessions, conduct focus groups in departments where the number of staff recommending the Trust is particularly low.

Venous Thromboembolism (VTE)

All trusts are asked to record the number of patients receiving a VTE assessment expressed as a percentage of eligible 'ordinary' admissions. The table below shows how Liverpool Women's compares nationally:

2018-19	2017-18	2016-17	National Target
97%	98%	98%	90%

Liverpool Women's considers that this data is as described for the following reasons: the Trust has well established processes for assessing patients' risk of VTE and consistently performs above average.

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: the Liverpool Women's VTE guidelines have been updated in light of the NICE guidance NG98 2018 Venous thromboembolism in the over 16s: reducing the risk of hospital-acquired deep vein thrombosis or pulmonary embolism. The Trust will conduct 6 monthly audits of compliance with VTE guidelines.

Clostridium Difficile

All trusts are asked to record the rate of trust apportioned C.difficile per 100,000 bed days. The table below shows how Liverpool Women's compares nationally:

LWFT 2018-19	LWFT 2017-18	National Average
0	0	N/A

Liverpool Women's considers that this data is as described for the following reasons: the Trust takes extremely seriously its duty to prevent infection and provide care in a safe environment.

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: all cases will continue to be reported to the infection control team, will have a root cause analysis and will be reported nationally. The Trust will also review its range of interventions to ensure they remain fit for purpose.

Patient Safety Incidents

All Trusts are asked to record their number and rate of patient safety incidents per 1,000 bed days. The table below shows this data for Liverpool Women in the period 2018-19:

	2017-18*	2018-19*
No. PSIs	4564	3974
Total Bed days 2018-19	57730	97490
Rate /1000 Bed Days	79.06%	40.76

*Local unmoderated data PSI only data

Liverpool Women's considers that this data is as described for the following reasons: the data for this and the following Severe Harm and Death incidence measure is taken from the Trust's Incident reporting database used in combination with bed days activity data monitored nationally and the Trust has a strong culture of incident reporting giving confidence in incident capture. As heralded in last year's report the Policy for Reporting and Managing Incidents has been revised and issued. The risk team continues to support staff in the reporting of incidents and in a time of structural change has maintained alignment of the reporting system with the changing divisional structure of the Trust to keep relevant managers and executives aware and involved in the management of incidents under their changing remits.

Liverpool Women's intends to take the following actions to improve this indicator and so the quality of its services: The latest available benchmarking data to March 2018 (NHSI Nov 2018) shows that the Trust continues to have the top reporting rate per1000 bed days amongst the specialist acute Trust cohort of providers. The roll-out programme for HSIB reached the Trust in the 4th quarter of 2018-19 and the Trust welcomes the opportunity to work with HSIB and the potential to further improve the effectiveness of its incident management processes and responsive actions.

All Acute Trusts are asked to record the number and proportion of reported incidents that result in severe harm or death in the reporting period. The table below shows this data for Liverpool Women's during 2018-19:

Indicator	2017-18*	2018-19*
No. PSIs	4564	3974
No. Severe Harm or Death incidents	8	3
Severe Harm and Death incidents as % PSIs	0.175%	0.075%

* Local unmoderated data

Part 3

Other Information

Performance against Key National Priorities and National Core Standards

NHS improvement sets out their approach to overseeing NHS Foundation Trusts' compliance with the governance and continuity of service requirements of the Foundation Trust licence. This section of the report shows our performance against the indicators NHS Improvement set out in this framework, unless they have already been reported in another part of this report.

Last year was a particularly challenging one for the NHS; all trusts were expected to provide the highest standards of care while achieving demanding efficiency savings. The trust continued to provide safe, high quality care to our patients. Alongside this, in a climate where many providers have struggled to achieve their financial plan, the trust has continued to deliver its financial performance.

Details of the national targets that are required to achieve are set out below, together with our actual performance:

Indicator Name	Target	Performance 2018/19	
A&E Clinical Quality - Total Time in A&E under 4 hours (accumulated figure)	95%	97.90%	Achieved
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral) - post local breach re-allocation (accumulated figure)	90%	90.00%	Achieved
Cancer 31 day wait for second or subsequent treatment – surgery (accumulated figure)	94%	96.90%	Achieved
Cancer 31 day wait from diagnosis to first treatment (accumulated figure)	96%	83.60%	Not Achieved
Cancer 2 week (all cancers) (accumulated figure)	93%	95.10%	Achieved
Clostridium difficile due to lapses in care (accumulated figure)	0	0	Achieved
Never Events	0	2	Not Achieved
Incidence of MRSA bacterium	0	0	Achieved
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	86.88%	Not Achieved

Cancer 62 Day Waits for first treatment (from urgent GP referral) - post local breach re-allocation (accumulated figure)	85%	45.99%	Not Achieved
Maximum 6-week wait for diagnostic procedures	99%	97.91%	Not Achieved

18 Week Referral to Treatment and 62 day Cancer targets: Following on from two serious incidents declared by the Trust in February 2018 relating to breaches of the national access target, in 18/19 the Trust has focused on implementing measures and recommendations for improvement based upon the lessons learnt. Working closely with NHS Improvement, a comprehensive review of systems and processes has taken place throughout the year with robust monitoring and reporting strategies embedded into business as usual.

Priority for the Trust has been on assuring the longest waiting patients are cared for appropriately. The Trust has been successful in reducing the number of 52 week waiting patients throughout the year from 25 patients in July 2018 to 1 patient by the March 2019. Reviews of demand and capacity for services have also taken place to identify key areas for additional investment in resource to ensure the Trust can continue to work towards reducing patient 18 week waiting times accordingly and build sustainability for future service provision.

Work with the local CCGs and Cancer Alliance has moved forwards this year to enable a pan-regional approach to be taken to address the challenge of improving the Cancer 62 day targets. This work has identified areas for further collaboration and ensured a renewed focus on potential streamlined models of care, including areas such as access to diagnostics. This work will continue into 2019/20.

Celebrating Success at Liverpool Women's

Community midwifery

Community Midwifery Services

Better Births, the Report of the National Maternity Review, the Five Year Forward View for maternity services in England, set out a vision for maternity services in England to ensure that they are safe and personalised. A vision that puts the needs of the woman and her family at the heart of care with staff who are supported to deliver high quality care which is continuously improving.

At the heart of this vision is the ambition that women should have continuity of the person looking after them during their maternity journey, before, during and after the birth. This continuity of care and relationship between care giver and receiver has been shown to lead to better outcomes and safety for the woman and baby as well as offering a more positive and personal experience.

Community services continually strive to provide continuity of care for women and their families. In 2018, community midwifery services have undertaken **9847** bookings in community venues to ensure continuity of care is delivered closer to home for women and their families.

The development of a dedicated Midwife at Home team also aims to improve continuity of Carer for those women who are suitable and who choose to have their baby at home. The dedicated team of six midwives provide continuity throughout the woman's maternity journey before, during and after the birth. Since the team was established in December 2018, over 80 women have chosen to have their baby at home supported by the team.



Feedback from Lucy about her recent Birth at Home with the team

On the 13th January 2019 our little boy, Joseph, was born at home with Shadae and Chloe from the home birth team in attendance. We had such a positive experience which is the reason why I am writing to you today.

Shadae and Chloe visited us a few weeks prior to the birth to introduce themselves and your service. I wasn't 100% sure that I wanted a home birth but I was given all the information needed to make an informed decision. As my pregnancy progressed I became more certain that I would stay at home.

On the day I went in to labour Chloe was easily contactable and even came out to see me to offer reassurance. Shadae then visited later to assess me and remained with me through my labour, joined later by Chloe. Our perfect boy was born safely in the early hours of Sunday morning.

We can't thank Shadae and Chloe enough for guiding us through this experience and providing us all with amazing midwifery care. Shadae and Chloe were professional, reassuring, approachable, and incredibly knowledgeable and made us feel safe and relaxed. After the birth Shadae and Chloe remained available to us for advice and have visited several times this week already to assess myself and Joseph. After my experience I would highly recommend a home birth to my friends and family.



Royal College of Midwives Award -Shortlist

Community Midwives together with the research team have been shortlisted for an RCM award. The midwives have played an integral part in helping to recruit women to the Stress and Wellbeing after Childbirth study (STRAWB), which is assessing the effectiveness of self-help materials developed from psychological theory about how trauma experience leads to PTSD.

Surrogacy

In order to improve the patient experience of women undergoing surrogacy, we have worked in collaboration with staff in the Hewitt Fertility Centre and have nominated a named midwife to provide continuity of care for women undergoing surrogacy. This has improved patient experience and acts as a resource and support for staff.



Midwifery Led Unit

The Midwife led unit have undertaken **1487** births this year. The Jeffcoate ward has also been reopened this year which offers partners the opportunity to stay overnight. This has been a great success and well received.

Maternity

Maternity has been working hard in 2018 to improve the patient journey through the Maternity pathway as well as patient experience.

WHOSE SHOES workshop

This workshop took place in the summer of 2018. 40 participants took part made up of families, mums and dads as well as clinical staff from Maternity. The focus of the workshop was to play the board games and talk on the tables in groups about various scenarios and situations. A graphic designer/ artist was present on the day and captured the words and thoughts of the day on a canvas in word and picture form. This picture has been displayed both in the Delivery suite and Maternity corridor. The team have reviewed the comments and are working on the themes and feedback from the day.



Maternity Voices Partnership

A Maternity Voices Partnership (MVP) is a NHS working group: a team of women and their families, commissioners and providers (midwives and doctors) working together to review and contribute to the development of local maternity care.

National Maternity Voices provide support and advice to service user chairs of Maternity Voices Partnerships. NMV promotes awareness of good practice in setting up and developing MVPs among commissioners and provider staff of maternity services in England. This is to ensure:

- Every woman on the maternity pathway has a chance to have her voice heard about the service she is receiving through an MVP
- Every MVP is adequately resourced to engage in true co-production of maternity services
- Local MVP chairs and service user members feel networked and supported in their role
- MVPs are involved in work in their local communities and also represented at Local Maternity System (LMS) level



Keeley
@Keeeeeley

"Feeling listened to and being educated & informed on my options is so important"

#matexp #coproduction
@LiverpoolMvp @birthrightsorg
@LiverpoolWomens



5:37 AM - 14 Feb 2019

4 Retweets 13 Likes

You, LiverpoolMVP, Lisa Ramsey and 3 others

4 13



Keeley
@Keeeeeley

"Women's perspective is so important when communicating, informing and decision making"

@LiverpoolWomens @birthrightsorg
@LiverpoolMvp



5:49 AM - 14 Feb 2019

4 Retweets 7 Likes

Maternity Survey

The National Maternity Survey is sent out each year to all mothers who have a baby in the month of February. One of the Maternity Matrons represented the Trust in London on a National group who reviewed the questions on the Maternity survey to ensure that in the future women's experience of continuity of carer is captured. The response to this year's survey was positive and the Maternity team are using the feedback to make their improvements.

Friends and Family

The friends and family test is used in the trust and the Maternity service. There are 4 touchpoints throughout the women's journey in pregnancy and post-natal care when women are asked to complete this test and answer the standard questions.

Maternity have recently piloted a texting service to assist with increased response rates. A text is generated to the woman's phone after her appointment or contact with a midwife and a link sent for her to complete this friends and family test.

Reducing Discharge delays

On the post-natal /antenatal due to a re-allocation of post-natal beds a Discharge Bay has been introduced. This is to enable to midwives and medical staff to prevent delays in women going home from hospital with their babies. A dedicated midwife is allocated to work in this area to ensure that women have the smoothest transfer home possible.

Infant Feeding Team – Breast Feeding initiation rates

Due to a re-structure of the Infant Feeding team and close working with the peer support team Bambi's the hospital breast feeding initiation rate has increased by almost 10% in the past 12 months.

The teams have introduced antenatal expression of colostrum and support women to do so especially in high risk pregnancies or induction. The Breast feeding workshops for couples have been reviewed and the content adapted to these changes. Both teams worked together to promote breast feeding in the ward areas as well as supporting mothers who choose not to breast feed.

Tongue Tie Service

This service historically was run at Alder Hey hospital and referrals made by the midwives or the Infant feeding team to attend clinics. A weekly clinic has been established in the antenatal clinic on the Crown Street site. The clinic has been a joint venture with the specialist nurse from Alder Hey and the support staff from the antenatal clinic. Babies who require tongue tie assessment or treatment can be seen prior to transfer home from the ward now and this will prevent delays and problems with breast feeding.

Neonates

Neonatal Peer Review

As part of the NHS England Quality Surveillance Programme the Neonatal Team had an external Peer review in Jan 2018, which showed the unit to be a great place for support and learning, with a positive approach to recruitment and retention. This was reflected by the team being nominated for the best training centre by Mersey Deanery.

Improving the clinical environment

The Trust and the Neonatal Team won a £15 million pound bid to help improve safety and family experience on the Neonatal Unit. As one of the busiest services in the country we will now have the most advanced and modern facilities to match. Completion of the project is expected in early 2020 and is currently on track.

Artist's impression of the extension to the Neonatal Unit.



Parental Peer support

“NeoMates Liverpool” was set up to allow parents to contact each other for support 24/7. This has been extremely successful and now has over 400 members. Families share ideas, ask questions about issues they encounter once discharged from hospital services and can post photographs about their baby’s progress.

This group has been used to encourage parental engagement by advertising events relating to the new build e.g. Meet the architects, internal designers and the team on site. As well questionnaires have been set up to evaluate services for improvement and social events for NICU graduates held. e.g. Christmas / Halloween / Graduate parties.



Who's Shoes?

The neonatal team in partnership with Alder Hey held an engagement event to explore what the new neonatal service to be developed at Alder Hey should look like and how in working together as a single service we can ensure that the babies of Liverpool receive the best care, in the best environment by the best people while ensuring that the family experience is protected and enriched.

This event was attended by staff from both sites and from all grades to executive level and parents who had experienced a journey on both sites. Great insight was achieved which has allowed further development of the service.

Gynaecology



Liverpool Women's combined Acute Assessment Unit pilot.

There are currently two acute assessment services operating overnight within the Trust. The Gynaecology Emergency Department (GED) manages women who are not pregnant or less than twenty weeks pregnant and the Maternity Assessment Unit (MAU) manage pregnant women from twenty weeks gestation. It was recognised that a move to collaborate across services would help to optimise care of women. A pilot project was undertaken to combine the two services between 7-30pm and 7-00 am over seven days for three months. The combined assessment unit worked within the same space as the MAU.

The GED staff moved out of their department overnight into a different environment which had not been designed for this combined working. The staff rose to the challenge by working different shift patterns, integrating with midwives a cohort of staff who they had not worked with before. The TEAM work between the GED and MAU staff was acknowledged when they were awarded joint team of the season for autumn.

Uro-Gynaecology

World Continence Week was held on 18-24 June 2018.

We wanted to promote our services and to make visiting patients and staff aware that help is available for women who are experiencing urinary incontinence or pelvic organ prolapse that help is available

- We produced an information stand highlighting the services that we provide and this was manned by the team. This was situated in the foyer by the entrance to the hospital and any members of the public or staff could stop by and ask advice.

- We sourced funding to create a banner to advertise the services we provide which is still used and situated outside the uro-gynaecology department.
- Company representatives kindly provided refreshments
- Information leaflets and products samples where available to take away
- Team photograph was uploaded onto staff track and social media

The continence awareness week was a success. The feedback given was very positive and it did encourage individuals to seek help.



Research

Liverpool Women's wins Taking Research into Practice Award 2019

Liverpool Women's has been successful in winning the "Taking Research into Practice" award at the recent North West Coast Research and Innovation Awards 2019.

The WOMAN Trial was a large, international, double blind placebo clinical trial examining the use of tranexamic acid to reduce maternal deaths and improve outcomes linked to excessive postnatal bleeding. Liverpool Women's Hospital was a collaborator site. The WOMAN Trial was co-ordinated by the London School of Hygiene and Tropical Medicine.

Postpartum haemorrhage (PPH) continues to be a leading cause of maternal morbidity and mortality across the globe. Tranexamic had been used safely in other bleeding conditions and in some European countries had been used as a first line management for PPH for many years. However, prior to the WOMAN Trial there was limited reliable evidence on the effectiveness of tranexamic acid in the treatment of post-partum haemorrhage.

Professor Alfirevic acted as a clinical expert on the overall trial protocol, in addition to being the local study lead at LWH. Gill Houghton was the lead research midwife, and together with Michelle Dower, Heather Longworth and Angela Kerrigan (research midwives), worked exceptionally hard to ensure the

smooth running of the large scale study. The Obstetricians and Midwives on Delivery Suite played a key role in actively recruiting participants and administering trial drugs.

The study findings were published in April 2017, and found that the administration of intravenous tranexamic acid within three hours of birth reduced mortality by 31%. Since then the use of tranexamic acid has been recommended as a first line treatment of PPH by the World Health Organisation. Liverpool Women's have led the way by being an early adopter of the use of tranexamic acid as a first line treatment for PPH. The hard work and dedication of the research and clinical staff who worked on the WOMAN Trial have played a key role in the development of such strong evidence surrounding PPH management. The impact of such evidence in practice will only become apparent over subsequent years, but the results of the WOMAN Trial suggests that maternal outcomes related to PPH will improve massively across the globe.



The Hewitt Fertility Centre

The Hewitt Centre are implementing an Electronic Patient Record in reproductive medicine using a specialist IT database (IDEAS). We have used this system for nearly 20 years but this will take us forward into the next phase of paper free/ paperlite working. This will eventually include interfaces with ultrasound machines, ICE (the laboratory test result portal and establish fully electronic patient records. There will also be implementation of a 'patient portal' whereby key information regarding patient's cycles can be uploaded securely through the portal improving patient experience. This will provide massive investment and improvement within the IT structure has been required to bring us up to standard.

Genetics

Colorectal screening audit

An audit carried out by members of the Clinical Genetics department, and St Helens and Knowsley NHS Trust, into individuals having colonoscopy surveillance due to their family history demonstrated that 29% of patients were not at significant risk, and could be discharged from screening. Another 15% had their surveillance altered. This produced significant cost savings, and reduced the risks to patients of unnecessary colonoscopies. As a result of this success, Cancer Alliance have agreed to fund similar audits in 6 other gastroenterology departments in the Cheshire and Merseyside region.

100,000 Genomes Project

On 5th December 2018, the Health and Social Care Secretary announced that Genomics England reached the major milestone of 100,000 whole genomes sequenced. Genomics England will continue to work in partnership with NHS England to deliver 1 million genomes, as part of the Health and Social Care Secretary's ambition to sequence 5 million genomes.

The 100,000 Genomes NWC GMC Education & Training Team won at the 2018 NWC Research & Innovation Awards after being nominated in the 'Transformation' category for "Bringing Genomics to Healthcare across the North-West Coast– educating staff and patients and changing pathways".



The 100,000 Genomes NWC GMC Education & Training Team then went on to become finalists at the HSJ Awards in December. HSJ editor, Alastair McLellan, said: *"Congratulations to all the winners and the finalists. In this historic year for the NHS, we were inundated with applications demonstrating continued determination to deliver first class healthcare, harnessing the latest innovations while ensuring value for money. You have all impressed our judging panel with evidence of [your] enduring commitment to excellence in healthcare. They were runners-up in the category 'Improving Outcomes Through Learning and Development' for "Bringing Genomics to Healthcare across the North-West Coast– educating staff and patients"*.



The 100,000 team have also been awarded a certificate in recognition of their commitment and contribution to lifelong adult learning in England and Wales from the Department for Education (DfE) 'Festival of Learning Awards 2019'.

Cardiovascular Genetics

Dr Vicki McKay has been offering clinics at the Liverpool Heart and Chest Hospital for some years. Last year, the Inherited Cardiac Conditions team, along with Dr McKay, won a grant from the British Heart Foundation, to fund Genetic Counsellor clinics as well. This allows more people to have their genetic testing within the team that will be monitoring their cardiac health, allowing joined-up treatment.

Genomic Laboratory Hub

Genomic testing in the NHS has been reorganised. This is to create a world class resource for the NHS, and underpin the future Genomic Medicine Service. The Manchester and Liverpool genetics laboratories have merged to form the North West Genomic Laboratory Hub. Dr Lynn Greenhalgh from the Liverpool Clinical Genetics Service has been appointed as Medical Director of this new laboratory, a very prestigious post.

Family History Collection Team

This team has been established to acquire information prior to genetics clinic appointments, considerably reducing the amount of work which previously needed to be done during and after these appointments, and improving the patient experience.

Emailing letters

The department is establishing the secure emailing of letters to patients. Password protected, the letters can be safely emailed, and the patients can remain assured that their medical information is safe. Around 50% of people offered this choice have taken it up, and many have expressed their appreciation of this facility.

Patient Experience

Experience of Care Week 2019 – Monday April 22 to Friday 26 April #ExpofCare

This international campaign is being supported by both NHS England and NHS Improvement and offers organisations the chance to celebrate the work that's happening to improve experiences of care. Liverpool Women's are keen for women, patients, families, carers and staff to take this opportunity to reflect on and find out more about how their experiences can help make our services better.



Quality Improvement

A new process was established across the Trust in monitoring a range of quality improvement projects, these were identified from actions that include - internal clinical audits results, complaints and serious incidents. Further initiatives were identified by clinicians who felt that there were further opportunities to improve specific aspects in their departments ranging from patient pathways, to improving patient care, evaluating efficacy of medications, change of clinical process and evaluating diagnostic methods.

The quality projects and service evaluations are presented and monitored through the Effectiveness Senate, for cross clinical evaluation and peer review; with results being reported back through the senate. The projects cover all aspects of clinical and non-clinical improvements led by nurses, clinicians and non-clinical staff.

Dedicated to Excellence 2019

Congratulations to all nominees and winners at this year's Dedicated to Excellence Awards 2019. More than 250 people attended on the night, including staff, volunteers and governors. The night was a fantastic success and enjoyed by all.

Below is snap shot of the night. To see all the pictures head over to our Staff Facebook page (LWH StaffTrack). If you're not already a friend with us send us a request today! You can also read more about the [Awards here](#).



See next page for all our winners!

Staff Track – 24th April 2019

Winners of the Dedicated to Excellence Awards 2019

Dedicated to Innovation and Improvement (non-clinical) – This Gene-ie ain't going back in the bottle



Dedicated to Innovation and Improvement (clinical) - Delivery Room CPAP Quality Improvement Project



Dedicated to Working together (team working and partnerships) - Reducing term admissions to minimise separation of mothers and babies



Dedicated to Research - ANODE: prophylactic Antibiotics for the prevention of infection following Operative DELivery



Dedicated to Patients and their Families - What's behind the door?



Dedicated to Patient Safety - Right Details, Right Treatment



Dedicated to Clinical Audit - On Our Breast Behaviour



Staff Fundraiser of the Year - Choir raises funds for NICU



Mentor of the Year - Barbara Freeman



Learner of the Year - Fair and Just Culture – Chris McGhee



Employee of the Year - Sarah Orok



Team of the Year - NICU Infant Feeding Team



Volunteer of the Year - Mary Garner



Patient Choice Award - Richard Russell (accepted by Andrew Drakeley on behalf of Richard)



Foundation Award - ANODE: prophylactic ANTibiotics for the prevention of infection following Operative DELivery



Chief Executive Outstanding Contribution Award - Sharon Owens, Gynaecology Emergency Department and Early Pregnancy Unit Manager



Chief Executive Outstanding Contribution Award - Linda Martin, Patient Facilities Manager



Outstanding Contribution Award – BBC Hospital. Neonatal Unit, Gynaecology department, Maternity service, and the Communications Team



Annex 1: Statements from our Partners

Liverpool Women's shares its Quality Report with commissioners, local Health watch organisations and Local Authority Overview and Scrutiny Committees. This section of the report details the responses and comments we have received from them.

Knowsley Clinical Commissioning Group is leading on the response this year



NHS Liverpool Clinical Commissioning Group Quality Account Statement 2019-20 Liverpool Women's Hospital NHS Foundation Trust

NHS Liverpool, South Sefton and Knowsley CCGs welcome the opportunity to jointly comment on the Liverpool Women's Hospital NHS Foundation Trust Draft Quality Account for 2019-20. It is acknowledged that the submission to Commissioners was draft and that some parts of the document require updating. Commissioners look forward to receiving the Trusts final version of the Quality Account.

We have worked closely with the Trust throughout 2018-19 to gain assurances that the services they delivered were safe, effective and personalised to service users. The CCGs share the fundamental aims of the Trust and support their strategy to deliver high quality, harm free care. The account reflects good progress on most indicators.

This account indicates the Trust's commitment to improving the quality of the services it provides and supports the key priorities for improvement of quality during 2018-19. Commissioners note the priorities and individual measures from 2018-19 have been carried forward to 2019-20 and they are:

Priority 1: Reduce avoidable harm

Priority 2: Achieve the best clinical outcomes Priority 3: Provide the best Patient Experience

This is a comprehensive report that clearly demonstrates progress within the Trust. It identifies where the organisation has done well, where further improvement is required and what actions are needed to achieve these goals, in line with the Trust Quality Strategy.

Through this Quality Account and on-going quality assurance process the Trust clearly demonstrates their commitment to improving the quality of care and services delivered.

The Trust places significant emphasis on its safety agenda; demonstrating commitment to continuous evidence based quality improvement and promotion of a fair and just culture. This is reflected in the work that the Trust has undertaken towards the target of achieving zero never events, reducing

avoidable hospital admissions and medication incidents resulting in harm. Reducing avoidable stillbirths and neonatal deaths remain key improvement priorities for the Trust in 2019-20.

The work that the Trust has undertaken to improve outcomes on the following work streams is of particular note;

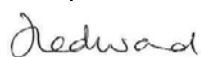
- Timely identification and screening has been carried out for all patients when sepsis was suspected (this included patients presenting at the Emergency Department or being nursed as an inpatient). 100% of patients received treatment within the prescribed timescale. There were no direct maternal deaths recorded in 2018-19.
- The number of potentially avoidable term neonatal admissions continued to fall from 9.1% recorded in 2017-18 to 7.1% of total neonatal admissions in 2018-19.
- Avoidable returns to theatre have consistently fallen throughout 2018-19; from 1% of total patients in April 2018 to 0.2% in March 2019.

The CCGs acknowledge the Trust's work with commissioners and the continued involvement of patients and carers in developing options for the future, based on strong clinical evidence and the most rigorous standards of quality. CCGs would like the Trust to demonstrate a greater focus on children and families and young peoples' experience of services as a priority for the Trust's 2019-20 Quality Account.

Commissioners are aspiring through strategic objectives and five year plans to develop an NHS that delivers great outcomes, now and for future generations. This means reflecting the government's objectives for the NHS set out in their mandate to us, adding our own stretching ambitions for improving health and delivering better services to go even further to tailor care to the local health economy. Providing high quality care and achieving excellent outcomes for our patients is the central focus of our work and is paramount to our success.

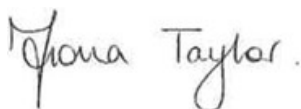
It is felt that the priorities for improvement identified for the coming year are reflective of the current issues across the health economy. We therefore commend the Trust in taking account of opportunities to further improve the delivery of excellent, compassionate and safe care for every patient, every time.

Liverpool CCG



Jan Ledward Chief Officer Date: 20th May 2019

South Sefton CCG Southport and Formby CCG



Fiona Taylor Chief Officer Date: 17 May 2019

Knowsley CCG



Dianne Johnson Chief Executive Date: 17 May 2019

Healthwatch Liverpool
Women's Quality Account 2018-19 commentary

Healthwatch Liverpool welcomes this opportunity to comment on the Quality Account of 2018-19.

We base these comments on the contents of a draft Quality Account which was provided to us prior to publication, as well as our ongoing engagement with the Trust and feedback received from patients and families.

In relation to the priorities for improvement over the past year, it is reassuring to see that progress has been made against most of these. The only exception is the target around reducing avoidable returns to theatre, however we are aware that there have been some issues around how this can be measured to accurately capture whether a return to theatre is avoidable or not.

We are pleased to see the achievements around safety and effectiveness, however the Trust has already performed well against several of these measures in previous years. Nevertheless, it is positive that performance has been sustained, particularly given the challenges the Trust and the wider healthcare system have faced over the past year.

Wider challenges, particularly around staffing, are perhaps reflected in the fact that the Trust has not met several of the standards for Seven Day Hospital Services. However, we acknowledge that this is also an issue for many other Trusts.

We were disappointed to see that performance against 18 week referral to treatment and 62 day cancer targets did not meet targets. We feel that missing these targets is likely to have had a negative impact on patient experience. We are reassured that the Trust has worked closely with NHS Improvement and that robust action has been taken to address these issues.

The patient experience priorities generally show slight improvement or maintenance against these measures. As we mentioned in our commentary last year, we question whether the focus on staff metrics is an appropriate way to measure patient experience and we are unsure whether these are priorities which patients themselves would choose. As such, we encourage the Trust to consider including more patient-focused priorities in future.

As with all Trusts in Liverpool, we hold an annual Listening Event where a team of staff and volunteers from Healthwatch Liverpool visits the hospital to speak to patients and visitors about their experiences. These events are intended to provide a snapshot of what patients and visitors think about the service. The Trust can then use this feedback in conjunction with other patient experience measures to provide valuable insight. This year we visited the Women's on 19th March 2019 and spoke to a total of 55 people.

A large number of people we spoke to made positive comments about the friendly and supportive approach of the staff. Some people felt the hospital was difficult to navigate but commented that staff are always happy to give directions. Less positive feedback was received from some people about waiting times in outpatient clinics and also contacting the hospital by telephone. All of our findings from the Listening Event have been shared with the Trust.

We aim to carry out a further Listening Event in early 2020 and we look forward to continuing to work closely with the Trust over the forthcoming year.

Commentary from Local Authority Overview & Scrutiny Committees (OSCs)

Knowsley Council - Requested but not received.

Annex 2: Statement of Directors' Responsibilities

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the NHS foundation trust annual reporting manual 2018/19 and supporting guidance Detailed requirements for quality reports 2018/19
- the content of the quality report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2018 to May 2019
 - feedback from commissioners dated 20th May 2019
 - feedback from the council of governors and governor group meetings held on 18th February 2019, 23rd April 2019 and 1st May 2019
 - feedback from local Healthwatch organisations dated 16th May 2019
 - the trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2019
 - the Gynaecology national patient survey January 2019
 - the national staff survey March 2019
 - the 2018/19 Head of Internal Audit's annual opinion of the trust's control environment received at the audit committee on 16 May 2019 and dated April 2019
 - the CQC inspection report dated August 2018
- the quality report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the quality report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review
- the quality report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the quality accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

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

By order of the board



Robert Clarke
Chair
24 May 2019



Kathryn Thomson
Chief Executive
24 May 2019

Annex 3: INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF LIVERPOOL WOMEN'S NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Liverpool Women's NHS Foundation Trust to perform an independent assurance engagement in respect of Liverpool Women's NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the following two national priority indicators:

- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers; and
- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period.

We refer to these national priority indicators collectively as 'the indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2018/19* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.
- We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes and papers for the period April 2018 to May 2019;
- papers relating to quality reported to the board over the period April 2018 to May 2019;
- feedback from commissioners, dated 17 and 20 May 2019;
- feedback from governors, requested on 23 April 2019 but not received;
- feedback from local Healthwatch organisations, dated 16 May 2019;
- feedback from Overview and Scrutiny Committee, requested but not received;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the latest national patient survey, dated January 2019;
- the latest national staff survey, dated March 2019;

- Care Quality Commission Inspection, dated 8 August 2018;
- the 2018/19 Head of Internal Audit's annual opinion over the trust's control environment, dated May 2019; and
- any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, 'the documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Liverpool Women's NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2019, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Liverpool Women's NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) - 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non mandated indicator, which was determined locally by Liverpool Women's NHS Foundation Trust.

Basis for qualified conclusion on the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period indicator.

We identified issues with the accuracy, completeness and relevance of the data used to calculate the incomplete pathways indicator.

We identified six instances out of a sample of 25 where the patient was incorrectly recorded in the dataset for at least a month after the pathway had completed.

We also identified two instances where the date of upload to the system had been used for the clock start date rather than the date of referral. If the correct date had been used for one of these instances the patient would have been reported as a breach.

Qualified conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for qualified conclusion on the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period indicator' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.



KPMG LLP
Chartered Accountants Manchester

28 May 2019

Annex 4: Glossary of Terms

CCG	Clinical Commissioning Group – Local groups of GP practices commissioned health services from the Trust for their patients.
Gynaecology	Medical practice dealing with the health of the female reproductive system.
Gynaecological Oncology	Specialised field of medicine that focuses on cancers of the female reproductive system.
Haemorrhage	The flow of blood from a ruptured blood vessel.
HES	Hospital Episodes Submission.
HFEA	Human Fertilisation & Embryology.
HIE	Hypoxic Ischaemic Encephalopathy is an acute disturbance of brain function caused by impaired oxygen delivery and excess fluid in the brain.
LWFT (sometimes LWH)	Liverpool Women's NHS Foundation Trust.
Maternity	The period during pregnancy and shortly after childbirth.
MBRRACE -UK	Mother and Baby Reducing Risks through Audits & Confidential Enquiries across the UK.
NCEPOD	National Confidential Enquiry into Patient Outcome and Death
Neonatal	Of or relating to newborn children.
NICE	National Institute for Health and Care Excellence.
NIHR	National Institute for Health Research.
NNAP	National Neonatal Audit Project.
NMR / NNMR	Neonatal Mortality Rate; Deaths of infants in the newborn period.
NRLS	National Reporting & Learning System.
ONS	Office for National Statistics.
PALS	Patient Advice & Liaison Service.
Perinatal	The period surrounding birth.
PHE	Public Health England.
Postnatal	Term meaning 'After Birth'.
Post-operative	Period immediately after surgery.
Pre-eclampsia	A condition involving a number of symptoms including increased maternal blood pressure in pregnancy and protein in the urine.
Root Cause Analysis	A method of problem solving used for identifying the root causes of faults or problems.
SGA	Small for Gestational Age.
Tissue Viability	Tissue Viability is about the maintenance of skin integrity, the management of patients with wounds and the prevention and management of pressure damage.
Ultrasound	Sound or other vibrations having an ultrasonic frequency, particularly as used in medical imaging.
VTE	Venous Thrombo-embolism; this describes a fragment that has broken away from a clot that had formed in a vein.
VON	Vermont Oxford Neonatal Network.
WHO	World Health Organisation.



Independent auditor's report

to the Council of Governors of Liverpool Women's NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Liverpool Women's NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2018/19 and the Department of Health and Social Care Group Accounting Manual 2018/19.

Basis for opinion

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

Overview

Materiality: £1.75m (2018:1.5m)
financial statements
as a whole 1.5% (2018: 1.4%) of total
revenue

Risks of material misstatement vs 2018

Recurring risks	Estimation of NHS income and receivables	◀▶
	Valuation of land and buildings	◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2018):

	The risk	Our response
<p>Existence of NHS income and receivables</p> <p>(NHS income £106.1 million; 2018: £102.9 million and NHS receivables £6.7m; 2017: £7.4 million)</p> <p><i>Refer to page 30 (Audit Committee Report), note 1 (accounting policy) and note 2 (financial disclosures).</i></p>	<p>Subjective estimate</p> <p>The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners, which make up over 90% of income from activities.</p> <p>The Trust participates in the Agreement of Balances (AoB) exercise which is mandated by the Department of Health (the Department), covering the English NHS only, for the purpose of ensuring that intra-NHS balances are eliminated on the consolidation of the Department's resource account. The AoB exercise identifies mismatches between income and expenditure and receivable and payable balances recognised by the Trust and its counter parties at the balance sheet date.</p> <p>Mismatches can occur for various reasons, but the most significant arise where the Trust and commissioners are yet to validate the level of estimated accruals for completed healthcare spells which have not yet been invoiced, accruals for non-contracted out-of-area treatments are not recognised by commissioners or potential contract penalties for non-performance are yet to be finalised. Where there is a lack of agreement, mismatches can be classified as formal disputes and referred to NHS England Area Teams for resolution.</p> <p>Accounting treatment</p> <p>In 2018/19 there is an increased risk of misstatement from the estimation of income from Provider Sustainability Funding (PSF). The Trust has recognised PSF income of £6.8 million, with 70% of the core PSF based on achievement of the financial control total and 30% based on achievement of operational trajectories for key performance indicators agreed with NHS Improvement.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Test of detail: We compared the actual income for the Trust's most significant commissioners against the block contracts agreed at the start of the year and checked the validity of any significant variations between the actual income and the contracted income to appropriate third party confirmations; — Test of detail: We inspected confirmations of balances provided by the Department of Health as part of the AoB exercise and compared the relevant receivables recorded in the Trust's financial statements to the payable balances recorded within the accounts of commissioners and, where applicable, investigating variances via breakdown analysis and review of relevant correspondences to assess reasonableness; and — Test of detail: We agreed the receipt of Provider Sustainability Funding monies, including the basis for agreement of quarter four funding based on relevant financial and performance measures, and confirmed the treatment is in line with guidance from the NHS Improvement.

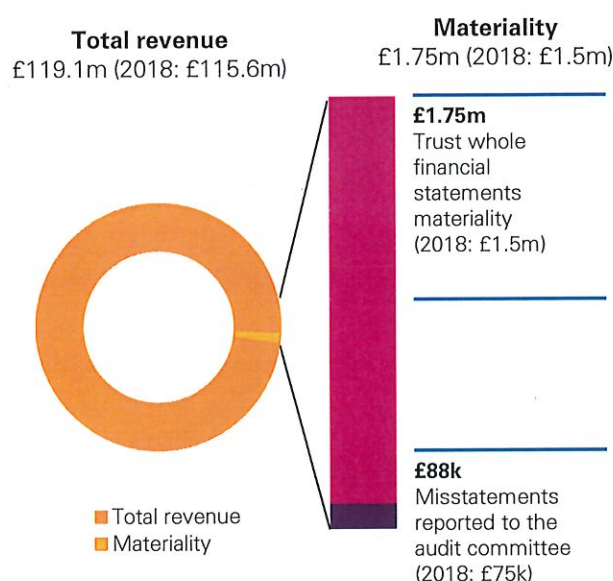
	The risk	Our response
Valuation of land and buildings (£63.1 million; 2018: £64.3 million) <i>Refer to page 30 (Audit Committee Report), note 1 (accounting policy) and note 15 (financial disclosures)</i>	<p>Subjective valuation:</p> <p>Land and buildings are required to be held at current value in existing use. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with an equivalent asset (depreciated replacement cost).</p> <p>The Trust's accounting policy requires an annual review for impairment, a full valuation (usually in five yearly intervals) and periodic desk top valuations in the years in between.</p> <p>Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, were appropriate and correctly applied. Key assumptions include the treatment of VAT and the application of indices.</p> <p>In 2018/19, in line with their accounting policies, the Trust commissioned a desktop valuation of its land and building asset from its valuers. The valuation covered all of the Trust's land and building assets.</p> <p>The asset valuation and impairment review processes are both estimates and therefore present a significant risk to the audit.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Assessing valuers credentials: We assessed the competence, capability, objectivity and independence of the Trust's external valuer and assessed the accuracy and completeness of the information provided to the valuer in 2018/19, to inform the desktop valuation; — Methodology choice: We critically assessed the valuation method and the reasonableness of the assumptions used by the valuer to arrive at the final valuations; — Test of detail: We reconciled the valuation report to the financial statements to ensure that valuation movements had been applied correctly; and — Test of detail: We critically assessed the Trust's formal consideration of indications of impairment and surplus assets within its estate, including the process undertaken.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £1.75 million (2017/18: £1.5 million), determined with reference to a benchmark of total revenue (of which it represents approximately 1.5% (2017/18: 1.4%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £88k (2017/18: £75k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed at the Trust's headquarters in Liverpool.



4. We have nothing to report on going concern

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

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement in Note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

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

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

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

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 71, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

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

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

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

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risk identified during our risk assessment is set out overleaf together with the findings from the work we carried out on each area.

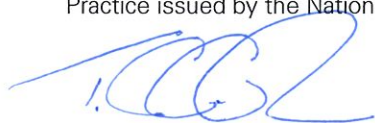
Significant Risk	Description	Work carried out and judgements
Financial sustainability	Due to a combination of regulatory scrutiny and significant financial challenge in the sector and locally across the health economy, we undertook a detailed review of the Trust's developing financial position and sustainability.	<p>Our work included:</p> <ul style="list-style-type: none"> — Performing an analysis of the Trust's actual position against plan; — Considering the core assumptions in the Trust's 2019/20 Annual Plan submission; — Considering the extent to which recurrent cost improvement schemes were achieved in 2018/19 and identified for 2019/20; — Reviewing the Trust's cash flow forecasts and availability of distress funding, as well as consideration of the level of debt within the Trust; and — Reviewing the number of material contracts with commissioners which have been agreed for 2019/20 and the supporting risk analysis as reported to the Board. <p>Our findings on this risk area:</p> <p>In 2018/19, the Trust has achieved a 2,160k surplus following the receipt of PSF funding. This is against the plan of a deficit of £1.6m. The favourable variance can largely be attributed to additional PSF income and the block contract arrangements that were in place during 2018/19.</p> <p>The Trust has agreed to a breakeven control total for 2019/20 after £2.3m PSF, £2m Financial Recovery Fund (FRF) and £0.3m of central Marginal Emergency Rate Tariff (MRET). The Trust acknowledges there are a number of risks associated with this and these have been articulated to the Board. The 2019/20 annual plan includes any repayments of loans that are due to the Department of Health without the need for further borrowing.</p> <p>We are satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2019, based upon the criteria of informed decision making, sustainable resource deployment and working with partners and third parties.</p>

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

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Liverpool Women's NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.



**Timothy Cutler for and on behalf of KPMG LLP
(Statutory Auditor)**

Chartered Accountants

1 St Peters Square, Manchester, M2 3AE
28 May 2019

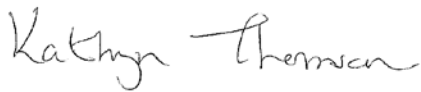
6. Foreword to the Accounts

Accounts for the period ending 31 March 2019

The following presents the accounts for the Liverpool Women's NHS Foundation Trust for the period ending 31st March 2019.

The accounts have been prepared in accordance with the requirements as set out in paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 (the 2006 Act) in the form which Monitor, the Independent Regulator of NHS Foundation Trusts has, with the approval of the Treasury, directed.

Signed

A handwritten signature in black ink that reads "Kathryn Thomson". The signature is written in a cursive style with a large initial 'K' and a long, sweeping underline.

Kathryn Thomson
Chief Executive
24 May 2019

Statement of Comprehensive Income

		2018/19	2017/18
	Note	£000	£000
Operating income from patient care activities	2	104,680	102,633
Other operating income	3	14,379	13,019
Operating expenses	6	(115,182)	(115,262)
Operating surplus from continuing operations		3,877	390
Finance income	11	57	24
Finance expenses	12	(238)	(261)
PDC dividends payable		(1,544)	(1,484)
Net finance costs		(1,725)	(1,721)
Other gains	13	8	1
Surplus / (deficit) for the year		2,160	(1,330)
Other comprehensive income / expense			
Will not be reclassified to income and expenditure:			
Revaluation Increase / (decrease)	15	(864)	3,134
Total comprehensive income for the period		1,296	1,804

The Statement of Comprehensive Income records the Trust's income and expenditure in summary form in the top part of the statement and any other recognised gains and losses are taken through reserves under other comprehensive income.

All income and expenditure is derived from continuing operations. The Trust has no minority interest.

Statement of Financial Position

		31 March 2019 £000	31 March 2018 £000
	Note		
Non-current assets			
Intangible assets	14	591	278
Property, plant and equipment	15	78,884	75,540
Receivables	19	493	495
Total non-current assets		79,968	76,313
Current assets			
Inventories	18	489	452
Receivables	19	7,273	8,407
Cash and cash equivalents	20	9,066	6,013
Total current assets		16,828	14,872
Current liabilities			
Trade and other payables	21	(14,985)	(8,790)
Borrowings	23.1	(5,265)	(6,212)
Provisions	24.1	(4,118)	(3,948)
Other liabilities	22	(2,428)	(2,467)
Total current liabilities		(26,796)	(21,417)
Total assets less current liabilities		70,000	69,768
Non-current liabilities			
Borrowings	23.1	(8,393)	(11,009)
Provisions	24.1	(513)	(566)
Other liabilities	22	(1,654)	(1,686)
Total non-current liabilities		(10,560)	(13,261)
Total assets employed		59,440	56,507
Financed by			
Public dividend capital		40,088	38,451
Revaluation reserve		14,503	15,367
Income and expenditure reserve		4,849	2,689
Total taxpayers' equity		59,440	56,507

The notes following the primary statements, numbered 1 to 31 form part of these accounts.

The financial statements contained within these accounts were approved by the Board of Directors on the 24 May 2019 and were signed on its behalf by:

Kathryn Thomson

Signed:

Name : Kathryn Thomson

Position: Chief Executive

Statement of Changes in Equity for the year ended 31 March 2019

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2018 - brought forward	38,451	15,367	2,689	56,507
Surplus/(deficit) for the year	0	0	2,160	2,160
Revaluations	0	(864)	0	(864)
Public dividend capital received	1,637	0	0	1,637
Taxpayers' equity at 31 March 2019	40,088	14,503	4,849	59,440

In 2018/19, the Trust received £1,637k of Public Dividend Capital. This related to additional Department of Health funding that the Trust bid for and was successful in obtaining in relation to the Global Digital Exemplar (GDE) Fast Follower Fund (£1,600k), the Cancer Transformation Programme (£25k) and the Pharmacy Infrastructure Fund (£12k).

Statement of Changes in Equity for the year ended 31 March 2018

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2017 - brought forward	37,420	12,233	4,019	53,672
Surplus/(deficit) for the year	0	0	(1,330)	(1,330)
Revaluations	0	3,134	0	3,134
Public dividend capital received	1,031	0	0	1,031
Taxpayers' equity at 31 March 2018	38,451	15,367	2,689	56,507

In 2017/18, the Trust received £1,031k of Public Dividend Capital. This related to additional Department of Health funding that the Trust bid for and was successful in obtaining in relation to the Global Digital Exemplar (GDE) Fast Follower Fund (£1,000k) and the Cancer Transformation Programme (£31k).

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Income and expenditure reserve

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

Statement of Cash Flows

	Note	2018/19 £000	2017/18 £000
Cash flows from operating activities			
Operating surplus		3,877	390
Non-cash income and expense:			
Depreciation and amortisation	6.1	4,722	4,537
Income recognised in respect of capital donations	3	(15)	0
(Increase) / decrease in receivables and other assets		1,545	(177)
(Increase) / decrease in inventories		(37)	(86)
Increase / (decrease) in payables and other liabilities		5,072	492
Increase / (decrease) in provisions		116	1,502
Other movements in operating cash flows		4	(1)
Net cash generated from operating activities		15,284	6,657
Cash flows from investing activities			
Interest received		57	24
Purchase of intangible assets		(540)	(44)
Purchase of property, plant, equipment and investment property		(7,977)	(5,000)
Sales of property, plant, equipment and investment property		8	134
Net cash used in investing activities		(8,452)	(4,886)
Cash flows from financing activities			
Public dividend capital received		1,637	1,031
Movement on loans from the Department of Health and Social Care		(3,587)	46
Interest on loans		(237)	(257)
PDC dividend paid		(1,592)	(1,475)
Net cash used in financing activities		(3,779)	(655)
Increase in cash and cash equivalents		3,053	1,116
Cash and cash equivalents at 1 April - brought forward		6,013	4,897
Cash and cash equivalents at 31 March	20.1	9,066	6,013

Notes to the Accounts:

Note 1 Accounting policies and other information

Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (DH GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2018/19 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Going concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

In 2018/19 the Trust achieved a surplus of £2.2m after earning of £6.8m from the Provider Sustainability Fund (PSF) and has submitted a breakeven plan for 2019/20.

In 2018/19 the Trust did not require any additional revenue support loans to support the cash position, and instead was able to repay £5.6m of revenue loans in August 2018, after receipt of the 2017/18 Sustainability and Transformation (STF) fund, and through effective management of the working capital position. The remainder of distress finance is planned to be repaid in 2019/20 following expected receipt of PSF cash payments.

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

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

Note 1.1 Interests in other entities

Liverpool Women's NHS Foundation Charitable Trust

The Liverpool Women's NHS Foundation Trust is the Corporate Trustee of the Liverpool Women's NHS Foundation Charitable Trust (Registration No. 1048294). The Trust has assessed its relationship to the Charitable Trust and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the Charitable Trust and has the ability to affect those returns and other benefits through its power over the Trust.

The Charitable Trust's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on FRS 102. The Trust has not consolidated the Liverpool Women's NHS Foundation Charitable Trust in its accounts on the grounds of materiality.

Segmental Reporting

The Trust's core activities fall under the remit of the Chief Operating Decision Maker (CODM), which has been determined to be the Board of Directors. These activities are primarily the provision of NHS healthcare, the income for which is received through contracts with commissioners. The contracts follow the requirements of Payment by Results where applicable and services are paid for on the basis of tariffs for each type of clinical activity. The planned level of activity is agreed with our main commissioners for the year. The Trust's main commissioners are listed in the related party disclosure (see Note 30).

Although the Trust has been recently organised into three separate clinical divisions (Family Health, Gynaecology and Clinical Support Services), these have been aggregated into a single operating segment. The divisions have similar economic characteristics, the nature of services are similar (NHS care), they have the same customers, and are reported internally in aggregate. The majority of the Trust's customers come from the City of Liverpool and surrounding areas, although the Trust also has contracts to treat patients from further afield including Wales and the Isle of Man. All divisions have the same regulators (NHS Improvement, the Care Quality Commission and the Department of Health). The overlapping activities and interrelation between the divisions also suggests that aggregation is appropriate. The divisional management teams report to the CODM, and it is the CODM that ultimately makes decisions about the allocation of budgets, capital funding and other financial decisions.

Note 1.2.1 Revenue from contracts with customers

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

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised.

Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received, or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income

Revenue from research contracts

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

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.2.2 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.2.3 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met and is measured as the sums due under the sale contract.

Note 1.3 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

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

Holiday Pay Accrual

For all staff the amount of outstanding annual leave as at 31 March 2019 was requested across the whole Trust. The accrual was then calculated based on the full population of responses.

Note 1.4 Expenditure on other goods and services

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

Note 1.5 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Measurement

Valuation

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

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

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

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

Fair value of land and buildings are based on advice received from the independent and professional valuers Cushman and Wakefield. Valuations provided by the professional valuers for land and buildings as part of an interim desktop valuation as at the 31 March 2019 have been reflected in the 2018/19 accounts.

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

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

In the 2018/19 financial year the Royal Institute of Chartered Surveyors (RICS) have issued revised guidance relating to asset lives. This has had the impact of reducing useful lives from the 31st March 2019 onwards.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 15.

Subsequent expenditure

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

Depreciation

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

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

Revaluation gains and losses

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

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

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

Impairments

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

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

De-recognition

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

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
 - management are committed to a plan to sell the asset
 - an active programme has begun to find a buyer and complete the sale
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Useful Economic lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	0	0
Buildings, excluding dwellings	33	53
Dwellings	41	41
Plant and machinery	1	10
Transport equipment	0	0
Information technology	1	5
Furniture and fittings	1	15

Note 1.6 Intangible assets

Recognition

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

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

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

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

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

Amortisation

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

Useful economic life of intangible assets

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

	Min life Years	Max life Years
Software licences	1	5

Note 1.7 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs to completion and selling costs to be incurred. No provision is made for obsolete or slow moving items as they are not included within inventory valuations.

Note 1.8 Cash and cash equivalents

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

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

Note 1.9 Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO₂ emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO₂ it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO₂ emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO₂ emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Allowances acquired under the scheme are recognised as intangible assets.

Note 1.10 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

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

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

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

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

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

De-recognition

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

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

Note 1.11 Leases

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

Note 1.11.1 The Trust as lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property, plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

The Trust has no finance leases in which the Trust acts as a lessee.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

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

Note 1.11.2 The Trust as lessor

Finance leases

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

The Trust has no finance leases in which the Trust acts as a lessor.

Operating leases

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

Note 1.12 Provisions

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the NHS Trust is disclosed at note 24.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Pension provisions

Pension provisions relating to former employees, have been estimated using the life expectancy from the Government’s actuarial tables. Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury’s discount rate of 0.29% for employee early departure obligations.

Legal claims

Legal claims provisions relate to employer and public liability claims. Expected costs are advised by NHS Resolution or other legal professionals.

Other provisions

Other provisions are in respect of costs arising from organisational restructure and contractual obligations and are calculated using appropriate methodology in line with IAS 37.

Note 1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity’s control) are not recognised as assets but are disclosed in note 25 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note 25, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity’s control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.14 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- (i) donated assets (including lottery funded assets);
- (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility; and
- (iii) any PDC dividend balance receivable or payable.

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

Note 1.15 Value added tax

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

Note 1.16 Corporation tax

The Trust has determined that it has no corporation tax liability having reviewed "Guidance on the tax treatment of non-core health care commercial activities of NHS Trusts" issued by HM Revenue and Customs supplemented by access to specialist advice when necessary.

Note 1.17 Foreign exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.18 Third party assets

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

Note 1.19 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.20 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.21 Transfers of functions between other NHS bodies

For functions that have been transferred to the Trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain or loss corresponding to the net assets or liabilities transferred are recognised within income or expenses respectively, but not within operating activities.

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

For functions that the Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss or gain corresponding to the net assets / liabilities transferred are recognised within expenses or income respectively, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.22 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions regarding the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors considered of relevance. Actual results may differ from those estimates as underlying assumptions are continually reviewed. Revisions to estimates are recognised in the period in which the estimate is revised.

The areas requiring critical judgments in the process of applying accounting policies are:

- Asset valuation and lives (including capitalisation of costs in respect of assets in the course of construction).
- Impairments of receivables.
- Holiday pay accrual.
- Pension provisions.
- Legal claims and entitlements.

Further detail of these policies can be found in their specific accounting policy notes.

Note 1.23 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.24 Standards, amendments and interpretations in issue but not yet effective or adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2018/19. These standards are still subject to HM Treasury FReM adoption:

- IFRS 14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.
- IFRS 16 Leases - Application required for accounting periods from 2020/21, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRIC 23 Uncertainty over Income Tax Treatments - Application required for accounting periods beginning on or after 1 January 2019. In the case of IFRS 16, there will be a requirement for the Trust to recognise in the Statement of Financial Position all the underlying assets (represented by the present value of the lease payments) and corresponding liabilities inherent in all of its lease agreements (and contracts containing leases). Also, in the Statement of Comprehensive Income the associated depreciation and interest charges will be reflected instead of lease payment charges, which is expected to 'front load' the expense to the earlier part of the agreement. It is not expected to represent a material adjustment for the Trust.

Note 2 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.2.1.

Note 2.1 Income from patient care activities (by nature)

	2018/19 £000	2017/18 £000
Acute services		
Elective income	8,824	9,834
Non elective income	26,633	24,751
First outpatient income	2,668	2,777
Follow up outpatient income	2,681	2,708
A & E income	1,505	1,419
High cost drugs income from commissioners (excluding pass-through costs)	334	319
Other NHS clinical income	55,798	55,568
Private patient income	3,253	2,880
Agenda for Change pay award central funding	880	0
Other clinical income	2,104	2,377
Total income from activities	104,680	102,633

The figures quoted are based upon income received in respect of actual activity undertaken within each category.

Note 2.2 Income from patient care activities (by source)

Income from patient care activities received from:	2018/19 £000	2017/18 £000
NHS England	20,772	21,808
Clinical commissioning groups	72,485	70,627
Department of Health and Social Care	880	0
Other NHS providers	5,186	4,941
Local authorities	48	47
Non-NHS: private patients	3,253	2,880
Non-NHS: overseas patients (chargeable to patient)	195	163
Injury cost recovery scheme	45	82
Non NHS: other	1,816	2,085
Total income from activities	104,680	102,633

*The Injury Costs Recovery Scheme income has been provided for as an impairment of receivables at 21.89% to reflect the expected rates of collection (2017/18: 22.84%).

All the Trust's activities relate to a single operating segment in respect of the provision of healthcare services. The Trust does not consider that segmental reporting would be appropriate in the 2018/19 annual accounts as:

- The Trust Board reviews the financial position as a whole in its decision-making process, rather than individual components included in the totals.
- The Trust shares its assets across all areas to provide healthcare.
- The nature of services across different areas of the Trust is similar (i.e. healthcare within a specific and related range of specialisms).
- IFRS 8: Operating Segments allows the aggregation of segments that have similar economic characteristics and types and class of customer. Therefore, all the Trust's activities relate to a single operating segment in respect of the provision of specialist acute health care.

Note 2.3 Overseas visitors (relating to patients charged directly by the provider)

	2018/19 £000	2017/18 £000
Income recognised this year	195	163
Cash payments received in-year	22	207
Amounts added to provision for impairment of receivables	36	93
Amounts written off in-year	0	0

Note 3 Other operating income

Note 3.1 Other operating income comprises:

	2018/19 £000	2017/18 £000
Other operating income from contracts with customers:		
Research and development (contract)	1,450	970
Education and training (excluding notional apprenticeship levy income)	5,088	4,763
Non-patient care services to other bodies	1	6
Provider Sustainability Fund / Sustainability and transformation fund income*	6,809	5,553
Other contract income	731	1,356
Receipt of capital grants and donations	15	0
Rental revenue from operating leases	285	371
Total other operating income	14,379	13,019

*During 2016/17 NHS England established a Sustainability and Transformation Fund to stabilise NHS operational performance. In 2018/19 this was renamed the Provider Sustainability Fund and included above is the share that has been allocated to the Trust over both financial years.

Note 3.2 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2018/19 £000	2017/18 £000
Income from services designated as commissioner requested services	20,467	21,425
Income from services not designated as commissioner requested services	98,592	94,227
Total	119,059	115,652

The Income from Commissioner and Non-Commissioner Requested Services equals the total value of income from activities in the Statement of Comprehensive Income and also notes 2 and 3.1.

Note 4 Additional information on revenue

Note 4.1 Additional information on revenue from contracts with customers recognised in the period

	2018/19 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	791
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	0

Note 4.2 Transaction price allocated to remaining performance obligations

	31 March 2019 £000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	
within one year	0
after one year, not later than five years	0
after five years	0
Total revenue allocated to remaining performance obligations	0

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	2018/19 £000	2017/18 £000
Income	0	0
Full cost	0	0
Surplus / (deficit)	0	0

Note 6 Operating expenditure

Note 6.1 Operating expenses

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	5,831	5,515
Purchase of healthcare from non-NHS and non-DHSC bodies	279	264
Staff and executive directors costs	66,014	66,434
Remuneration of non-executive directors	120	142
Supplies and services - clinical (excluding drugs costs)	6,907	6,371
Supplies and services - general	2,720	2,876
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	2,962	2,340
Consultancy costs	176	313
Establishment	1,193	1,165
Premises	5,782	5,683
Transport (including patient travel)	388	322
Depreciation on property, plant and equipment	4,495	4,298
Amortisation on intangible assets	227	239
Movement in credit loss allowance: contract receivables / contract assets *	93	
Movement in credit loss allowance: all other receivables and investments *	0	462
Increase / (decrease) in other provisions	18	0
Change in provisions discount rate(s)	(12)	10
Audit fees payable to the external auditor:		
- audit services- statutory audit	57	59
- other auditor remuneration (external auditor only)	11	12
Internal audit costs	63	77
Clinical negligence*	15,327	15,755
Legal fees	215	16
Insurance	62	52
Research and development	702	259
Education and training	88	270
Rentals under operating leases	197	259
Hospitality	2	1
Losses, ex gratia & special payments	1	0
Other services, e.g. external payroll	88	88
Other	1,176	1,980
Total	115,182	115,262

*Following the application of IFRS 15 from 1 April 2018, the trust's movement in credit loss allowances (previously known as the bad debt provision) are now shown separately as contract receivables and contract assets. This replaces the previous analysis of movement in credit loss allowance in all other receivables and investments. IFRS 15 is applied without restatement therefore the comparative analysis of operating expense has not been restated under IFRS 15.

* The clinical negligence costs relates to the Trust's contribution to the NHS Resolution risk pooling scheme under which the Trust pays an annual contribution.

Note 6.2 Other auditor remuneration

	2018/19 £000	2017/18 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	0	0
2. Audit-related assurance services	11	12
3. Taxation compliance services	0	0
4. All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assurance services not falling within items 1 to 5	0	0
7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	0	0
Total other auditor remuneration	11	12

Note 6.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2m (2017/18: £2m).

Note 7 Impairment of assets

There were no impairment of assets during the 2018/19 financial year (2017/18 £nil).

Note 8 Employee benefits

Note 8.1 Employee benefits comprise:

	2018/19 Total £000	2017/18 Total £000
Salaries and wages	54,083	55,287
Social security costs	4,642	4,474
Apprenticeship levy	245	219
Employer's contributions to NHS pensions	5,881	5,694
Pension cost - other	14	6
Termination benefits	22	111
Temporary staff (including agency)	2,029	853
Total gross staff costs	66,916	66,644
Of which		
Costs capitalised as part of assets	902	210

Note 8.2 Retirements due to ill-health

During 2018/19 there was 1 early retirement from the trust agreed on the grounds of ill-health (1 in 2017/18). The estimated additional pension liabilities of these ill-health retirements is £55k (£98k in 2017/18).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 9 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

Note 10 Operating leases

Note 10.1 Liverpool Women's NHS Foundation Trust as a lessor

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

The minimum lease receipts relate to rental income due to the Trust.

	2018/19 £000	2017/18 £000
Operating lease revenue		
Minimum lease receipts	285	371
Total	285	371
	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	95	95
- later than one year and not later than five years;	379	379
- later than five years.	2,695	2,790
Total	3,169	3,264

Note 10.2 Liverpool Women's NHS Foundation Trust as a lessee

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

All operating leases relate to lease cars, vending machines, photocopiers, printers and water fountains.

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	197	259
Total	197	259
	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	161	114
- later than one year and not later than five years;	425	386
- later than five years.	0	0
Total	586	500

Note 11 Finance income

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

	2018/19	2017/18
	£000	£000
Interest on bank accounts	57	24
Total finance income	57	24

Note 12 Finance expenditure

Note 12.1 Finance expenditure

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

	2018/19	2017/18
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	237	260
Total interest expense	237	260
Unwinding of discount on provisions	1	1
Total finance costs	238	261

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

No payments were made for the late payment of commercial debts (2017/18: £nil)

Note 13 Other gains

	2018/19	2017/18
	£000	£000
Gains on disposal of assets	8	1
Total gains on disposal of assets	8	1

Note 14 Intangible assets

Note 14.1 Intangible assets - 2018/19

	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2018 - brought forward	1,054	1,054
Additions	540	540
Disposals / derecognition	(24)	(24)
Valuation / gross cost at 31 March 2019	1,570	1,570
Amortisation at 1 April 2018 - brought forward	776	776
Provided during the year	227	227
Disposals / derecognition	(24)	(24)
Amortisation at 31 March 2019	979	979
Net book value at 31 March 2019	591	591
Net book value at 1 April 2018	278	278

Note 14.2 Intangible assets - 2017/18

	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2017 - brought forward	1,058	1,058
Additions	44	44
Disposals / derecognition	(48)	(48)
Valuation / gross cost at 31 March 2018	1,054	1,054
Amortisation at 1 April 2017 - brought forward	585	585
Provided during the year	239	239
Disposals / derecognition	(48)	(48)
Amortisation at 31 March 2018	776	776
Net book value at 31 March 2018	278	278
Net book value at 1 April 2017	473	473

Note 14.3 Economic life of Intangible assets

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

	Min life Years	Max life Years
Software licences	1	5

Note 15 Property, plant and equipment

Note 15.1 Property, plant and equipment - 2018/19

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2018 - brought forward	4,365	59,684	300	419	23,725	15,132	1,157	104,782
Additions	0	569	0	3,818	1,475	2,805	36	8,703
Revaluations	135	(1,943)	0	0	0	0	0	(1,808)
Reclassifications	0	0	0	(175)	0	0	175	0
Disposals / derecognition	0	0	0	0	(223)	(3,997)	0	(4,220)
Valuation / gross cost at 31 March 2019	4,500	58,310	300	4,062	24,977	13,940	1,368	107,457
Accumulated depreciation at 1 April 2018 - brought forward	0	0	0	0	18,622	10,056	564	29,242
Provided during the year	0	939	5	0	1,214	2,242	95	4,495
Revaluations	0	(939)	(5)	0	0	0	0	(944)
Disposals / derecognition	0	0	0	0	(223)	(3,997)	0	(4,220)
Accumulated depreciation at 31 March 2019	0	0	0	0	19,613	8,301	659	28,573
Net book value at 31 March 2019	4,500	58,310	300	4,062	5,364	5,639	709	78,884
Net book value at 1 April 2018	4,365	59,684	300	419	5,103	5,076	593	75,540

Note 15.2 Property, plant and equipment - 2017/18

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2017 - brought forward	4,000	55,588	300	1,381	23,099	12,986	582	97,936
Additions	0	1,922	0	224	1,181	1,769	49	5,145
Revaluations	365	1,891	0	0	0	0	0	2,256
Reclassifications	0	283	0	(1,186)	0	377	526	0
Disposals / derecognition	0	0	0	0	(555)	0	0	(555)
Valuation / gross cost at 31 March 2018	4,365	59,684	300	419	23,725	15,132	1,157	104,782
Accumulated depreciation at 1 April 2017 - brought forward	0	0	0	0	17,655	8,129	461	26,245
Provided during the year	0	873	5	0	1,390	1,927	103	4,298
Revaluations	0	(873)	(5)	0	0	0	0	(878)
Disposals / derecognition	0	0	0	0	(423)	0	0	(423)
Accumulated depreciation at 31 March 2018	0	0	0	0	18,622	10,056	564	29,242
Net book value at 31 March 2018	4,365	59,684	300	419	5,103	5,076	593	75,540
Net book value at 1 April 2017	4,000	55,588	300	1,381	5,444	4,857	121	71,691

Note 15.3 Property, plant and equipment financing - 2018/19

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2019									
Owned - purchased	4,500	58,147	300	4,062	5,349	0	5,639	709	78,706
Owned - donated	0	163	0	0	15	0	0	0	178
NBV total at 31 March 2019	4,500	58,310	300	4,062	5,364	0	5,639	709	78,884

Note 15.4 Property, plant and equipment financing - 2017/18

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2018									
Owned - purchased	4,365	59,523	300	419	5,103	0	5,076	593	75,379
Owned - donated	0	161	0	0	0	0	0	0	161
NBV total at 31 March 2018	4,365	59,684	300	419	5,103	0	5,076	593	75,540

Note 15.5 Economic life of property, plant and equipment

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

	Min life Years	Max life Years
Land	0	0
Buildings, excluding dwellings	33	53
Dwellings	41	41
Plant & machinery	1	10
Transport equipment	0	0
Information technology	1	5
Furniture & fittings	1	15

Note 16 Donations of property, plant and equipment

The GAM 5.90 and 5.91 require trusts to disclose details of any donations of property, plant and equipment received during the year, including any restriction or conditions imposed by the donor.

In 2018/19 the Liverpool Women's NHS Foundation Charitable Trust (registered charity number 1048294) donated some items to the Trust which were deemed to be capital in nature and resultantly the Trust has capitalised these assets and also recognised the receipt of the donation in its 2018/19 accounts. The details of the donated assets are:

- Infant Resuscitators - supporting the delivery of safe service and quality of care for babies on the unit - £7,048
- Computers on Wheels - which provides a perfect point of care solution and enhanced quality of service by ensuring efficient use of staff time and accurate record keeping - £7,560

No restrictions or conditions have been imposed by the donor in relation to these donated assets.

Note 17 Revaluations of property, plant and equipment

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

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

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

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

Fair value of land and buildings are based on advice received from the independent and professional valuers Cushman and Wakefield. Valuations provided by the professional valuers for land and buildings as part of an interim desktop valuation at the 31 March 2019 have been reflected in the 2018/19 accounts.

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

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful

lives or low values or both, as this is not considered to be materially different from current value in existing use.

In the 2018/19 financial year the Royal Institute of Chartered Surveyors (RICS) have issued revised guidance relating to asset lives. This has had the impact of reducing useful lives from the 31st March 2019 onwards.

Note 18 Inventories

	31 March 2019 £000	31 March 2018 £000
Drugs	239	226
Consumables	206	184
Energy	44	42
Total inventories	489	452

Inventories recognised in expenses for the year were £1,821k (2017/18: £1,800k). Write-down of inventories recognised as expenses for the year were £0k (2017/18: £0k).

Note 19 Receivables

Note 19.1 Trade receivables and other receivables

	31 March 2019 £000	31 March 2018 £000
Current		
Contract receivables*	6,952	0
Trade receivables*	0	3,354
Capital receivables	370	0
Accrued income*	0	2,520
Allowance for impaired contract receivables / assets*	(1,060)	0
Allowance for other impaired receivables*	0	(970)
Deposits and advances	2	3
Prepayments (non-PFI)	600	1,234
PDC dividend receivable	39	0
VAT receivable	179	354
Corporation and other taxes receivable	7	0
Other receivables	184	1,912
Total current trade and other receivables	7,273	8,407
Non-current		
Allowance for impaired contract receivables / assets*	(39)	0
Allowance for other impaired receivables*	0	(36)
Prepayments (non-PFI)	372	372
Other receivables	160	159
Total non-current trade and other receivables	493	495

Of which receivables from NHS and DHSC group bodies:

Current	6,347	7,000
Non-current	372	372

*Following the application of IFRS 15 from 1 April 2018, the trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

None of the receivable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

The majority of trade is with clinical commissioning groups, as commissioners for NHS patient care services. As clinical commissioning groups are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

Note 19.2 Allowances for credit losses - 2018/19

	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 April 2018 - brought forward	0	1,006
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1,006	(1,006)
New allowances arising	373	0
Reversals of allowances	(280)	0
Allowances as at 31 March 2019	1,099	0

As per note 2.2 the provision for the impairment of receivables includes a provision regarding the NHS Injury Scheme of 21.89% to reflect the expected rates of collection (2017/18: 22.84%).

Note 19.3 Allowances for credit losses - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	All receivables £000
Allowances as at 1 April 2017	559
Increase in provision	690
Amounts utilised	(15)
Unused amounts reversed	(228)
Allowances as at 31 March 2018	1,006

Note 20 Cash and cash equivalents

Note 20.1 Cash and cash equivalents movements

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

	2018/19 £000	2017/18 £000
At 1 April	6,013	4,897
Net change in year	3,053	1,116
At 31 March	9,066	6,013
Broken down into:		
Cash at commercial banks and in hand	42	53
Cash with the Government Banking Service	9,024	5,960
Total cash and cash equivalents as in Statement of Financial Position	9,066	6,013
Bank overdrafts (GBS and commercial banks)	0	0
Drawdown in committed facility	0	0
Total cash and cash equivalents as in Statement of Cash Flows	9,066	6,013

Note 20.2 Third party assets held by the NHS Foundation Trust

Liverpool Women's NHS Foundation Trust held no monies of patients or other parties as at the 31 March 2018 (31 March 2017: £nil)

Note 21 Trade and other payables

	31 March 2019 £000	31 March 2018 £000
Current		
Trade payables	3,526	2,046
Capital payables	1,347	266
Accruals	9,810	6,250
PDC dividend payable	0	9
Accrued interest on loans*	0	20
Other payables	302	199
Total current trade and other payables	14,985	8,790

Of which payables from NHS and DHSC group bodies:

Current	4,450	2,124
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*Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note . IFRS 9 is applied without restatement therefore comparatives have not been restated.

None of the payable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

During 2018/19 there was 1 early retirement from the Trust agreed on the grounds of ill-health (1 in 2017/18). The estimated additional pension liabilities of these ill-health retirements is £55k (£98k in 2017/18).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 22 Other liabilities

	31 March 2019 £000	31 March 2018 £000
Current		
Deferred income: contract liabilities	2,428	2,467
Total other current liabilities	2,428	2,467
Non-current		
Deferred income: contract liabilities	1,654	1,686
Total other non-current liabilities	1,654	1,686

Note 23 Borrowings

Note 23.1 Borrowings

	31 March 2019 £000	31 March 2018 £000
Current		
Loans from the Department of Health and Social Care	5,265	6,212
Total current borrowings	5,265	6,212
Non-current		
Loans from the Department of Health and Social Care	8,393	11,009
Total non-current borrowings	8,393	11,009

During 2018/19 the Trust was able to repay £5.60m of the Interim Revenue Support Facility primarily as a result of receiving the 17/18 Sustainability and Transformation (STF) Quarter 4, Incentive and Bonus Funding in quarter 2 of 2018/19. The Trust has also drawn down a further £2.62m of the agreed £15.0m Neonatal capital build funding and this is to be repaid in February 2043 and has an interest rate payable of 2.54%.

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During 2017/18 the Trust arranged a £2.02m Interim Revenue Support Facility to resource the underlying 2017/18 cash deficit of the Trust. This is to be repaid by £0.50m in January 2021 and £1.52m in March 2021 and has an interest rate payable of 1.50%. The Trust also repaid £2.36m of the Interim Revenue Support Facility in relation to the 16/17 Sustainability and Transformation (STF) Quarter 4, Incentive and Bonus Funding received retrospectively in quarter 2 of 2017/18. The Trust has also drawn down £1.0m of the agreed £15.0m Neonatal capital build funding and this is to be repaid in February 2043 and has an interest rate payable of 2.54%.

Cumulatively, since the 2014/15 financial year, the Trust has drawn down £23,737k of Loans from the Department of Health and Social Care but has repaid £10,102k of this amount reducing the outstanding loan principal outstanding to £13,635k - as per the below summary table:

	Loan Principal Drawn down	Loan Principal Repaid	Loan Principal Outstanding
Loans from Department of Health and Social Care			
Capital (ITFF)- 2.0% Interest Rate	5,500	(2,140)	3,360
Capital (Neonatal Building)- 2.54% Interest Rate	3,625	0	3,625
Revenue - 1.50% Interest Rate	14,612	(7,962)	6,650
	23,737	(10,102)	13,635

Loans Interest Payable at the 31st March 2019 *

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Total Borrowings

13,658

*Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are now measured on an amortised cost basis. Consequently, the total borrowings balance includes £23k of Loans Interest Payable as at the 31st March 2019.

Note 23.2 Reconciliation of liabilities arising from financing activities

	Loans from DHSC £000
Carrying value at 1 April 2018	17,221
Cash movements:	
Financing cash flows - payments and receipts of principal	(3,587)
Financing cash flows - payments of interest	(237)
Non-cash movements:	
Impact of implementing IFRS 9 on 1 April 2018	20
Application of effective interest rate	237
Other changes	4
Carrying value at 31 March 2019	13,658

The liabilities arising from financing activities all relates to loans from the Department of Health & Social Care (DHSC) as detailed in Note 23.1.

Note 24 Provisions for liabilities and charges

Note 24.1 Provisions movements:

	Pensions: early departure costs*	Pensions: injury benefits*	Legal claims	Re-structuring	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2018	571	56	2,026	1,861	0	4,514
Change in the discount rate	(10)	(2)	0	0	0	(12)
Arising during the year	31	0	103	633	2,378	3,145
Utilised during the year	(59)	(2)	(4)	(33)	0	(98)
Reversed unused	(10)	(2)	(969)	(1,938)	0	(2,919)
Unwinding of discount	1	0	0	0	0	1
At 31 March 2019	524	50	1,156	523	2,378	4,631
Expected timing of cash flows:						
- not later than one year;	59	2	1,156	523	2,378	4,118
- later than one year and not later than five years;	236	8	0	0	0	244
- later than five years.	229	40	0	0	0	269
Total	524	50	1,156	523	2,378	4,631

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within Pensions: early departure costs.

"Pensions - early departure costs" provisions are for early retirements and reflect actuarial forecasts in respect of the duration of payments, the life expectancy of the persons involved and current value of the future stream of payment flows.

"Pensions - injury benefits" provisions are for injury benefits and reflect actuarial forecasts in respect of the duration of payments, the life expectancy of the persons involved and current value of the future stream of payment flows.

"Legal claims" provisions comprise amounts due as a result of third party and employee liability claims. The values are informed by information provided by third party solicitors. In respect of the LTPS provision this reflects the probability of the cases being settled as estimated by NHS Resolution.

"Re-structurings" provisions have arisen from the outcome of organisational change proposals that are anticipated to be finalised within the next year.

"Other" provisions have arisen from contractual liabilities related to an exit from a project.

The Contingent Liability for the maximum possible but not probable cost of claims is shown in Note 25.

Note 24.2 Clinical negligence liabilities

At 31 March 2019, £315,905k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Liverpool Women's NHS Foundation Trust (31 March 2018: £320,678k).

Note 25 Contingent assets and liabilities

	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities		
NHS Resolution legal claims	(20)	(24)
Gross value of contingent liabilities	(20)	(24)
Amounts recoverable against liabilities	0	0
Net value of contingent liabilities	(20)	(24)
Net value of contingent assets	0	0

The NHS Resolution Legal Claim contingent liabilities are in relation to legal claim costs which are unlikely to be payable as notified by NHS Resolution in relation to "Liabilities to Third Parties" (LTPS). The value of Provisions for the expected and probable cases is shown in Note 24.1.

Note 26 Contractual capital commitments

Contracted capital commitments at the 31st March 2019 not otherwise included in these financial statements are:

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	16,175	4,372
Total	16,175	4,372

The capital commitments as at the 31st March 2019 relate to the residual amounts of capital schemes in relation to the contractually agreed £15m Neonatal capital build project and the £5m Global Digital Exemplar Fast Follower project. Both of these capital schemes commenced during the 2017/18 financial year.

Note 27 Financial instruments

Note 27.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

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

Currency risk

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

Interest rate risk

The Trust borrows from the Department of Health in the form of the Independent Trust Financing Function (ITFF) and Interim Revenue Support Facility (IRSF). The borrowing is for 10 years and under and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2019 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under SLAs with other NHS providers, which are financed from resources voted annually by Parliament. The Trust receives regular monthly payments from CCGs based on an agreed contract value with adjustments made for actual services provided. The Trust funds its capital expenditure from either internally generated funds or PDC made available by the Department of Health. The Trust is not, therefore, exposed to significant liquidity risks.

Price risk

The contracts from NHS commissioners in respect of healthcare services have a predetermined price structure which negates the risk of price fluctuation.

Note 27.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

<u>Carrying values of financial assets as at 31 March 2019 under IFRS 9</u>	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non-financial assets	6,455	6,455
Cash and cash equivalents at bank and in hand	9,066	9,066
Total at 31 March 2019	15,521	15,521

<u>Carrying values of financial assets as at 31 March 2018 under IAS 39</u>	Loans and receivables £000	Total book value £000
Trade and other receivables excluding non financial assets	6,660	6,660
Cash and cash equivalents at bank and in hand	6,013	6,013
Total at 31 March 2018	12,673	12,673

<u>Carrying values of financial assets as at 31 March 2018 under IAS 39</u>	Loans and receivables £000	Total book value £000
Trade and other receivables excluding non financial assets	6,660	6,660
Cash and cash equivalents at bank and in hand	6,013	6,013
Total at 31 March 2018	12,673	12,673

Note 27.3 Carrying value of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

<u>Carrying values of financial liabilities as at 31 March 2019 under IFRS 9</u>	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	13,658	13,658
Trade and other payables excluding non financial liabilities	14,985	14,985
Provisions under contract	4,631	4,631
Total at 31 March 2019	33,274	33,274

<u>Carrying values of financial liabilities as at 31 March 2018 under IAS 39</u>	Other financial liabilities £000	Total book value £000
Loans from the Department of Health and Social Care	17,221	17,221
Trade and other payables excluding non financial liabilities	8,790	8,790
Provisions under contract	4,514	4,514
Total at 31 March 2018	30,525	30,525

Note 28 Losses and special payments

	2018/19		2017/18	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Bad debts and claims abandoned	8	0	85	15
Stores losses and damage to property	0	0	0	0
Total losses	8	0	85	15
Special payments				
Ex-gratia payments	2	1	0	0
Total special payments	2	1	0	0
Total losses and special payments	10	1	85	15

Note 29 Initial application of new IFRS Standards

Note 29.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £20k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £0k decrease in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £159k.

Note 29.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation of the 1st April 2018.

Note 30 Related parties

Ultimate parent

The Trust is a public benefit corporation established under the NHS Act 2006. NHS Improvement (NHSI) formerly Monitor, the Regulator of NHS Foundation Trusts has the power to control the Trust within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the Trust's parent. NHSI does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS Foundation Trust Consolidated Accounts are then included within the Whole of Government Accounts. NHSI is accountable to the Secretary of State for Health. The Trust's ultimate parent is therefore HM Government.

Transactions with related parties are undertaken on a normal commercial basis. During the year none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the Trust.

The Liverpool Women's NHS Foundation Trust is the corporate trustee of the Liverpool Women's NHS Foundation Charitable Trust (Registration No. 1048294). The Trust does not consolidate the Charitable Trust on the grounds of materiality. As at 31 March 2019, there is an outstanding receivable with the Charitable Trust of £243k (31 March 2017: £819k).

Liverpool Women's NHS Foundation Trust is a public interest body authorised by Monitor, the Independent Regulator for NHS Foundation Trusts. It undertakes as part of its ongoing provision of healthcare services, in accordance with the terms of its authorisation, a number of transactions with bodies defined as being within the scope of the Whole of Government Accounts (WGA) including the Department of Health and other entities that the Department of Health is regarded as the parent department.

During the year the Trust has had a significant number of material transactions with the Department of Health and / or other entities for which the Department of Health is regarded as the parent Department. In addition, the Trust has material transactions with other government departments. Transactions and balances with these organisations are disclosed below.

Liverpool Women's NHS Foundation Trust - Annual Accounts 2018/19

Receivables & Payables:

	Receivables		Payables	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Aintree University Hospital NHS Foundation Trust	250	320	570	250
NHS Liverpool CCG	43	44	0	669
NHS South Sefton CCG	0	0	0	0
Health Education England	16	0	0	69
NHS Wirral CCG	0	0	269	77
NHS Halton CCG	0	0	210	62
NHS Warrington CCG	0	0	100	1
NHS Southport and Formby CCG	5	0	0	0
NHS St Helens CCG	0	0	0	7
Royal Liverpool and Broadgreen University Hospitals NHS Trust	576	178	1,322	746
NHS England - Core	4,581	3,535	0	2
NHS England - North West Specialised Commissioning Hub	(1,307)	101	0	0
NHS Resolution	0	0	3	3
NHS Pension Scheme	0	0	0	0
HM Revenue and Customs	7	354	0	0
Welsh Health Bodies - Betsi Cadwaladr University Local Health Board	0	0	0	0
University of Liverpool	10	82	41	28
	<u>4,181</u>	<u>4,614</u>	<u>2,515</u>	<u>1,914</u>

Liverpool Women's NHS Foundation Trust - Annual Accounts 2018/19

Income & Expenditure:

	Income		Expenditure	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Aintree University Hospital NHS Foundation Trust	300	288	1,865	1,775
NHS Liverpool CCG	44,267	42,602	0	0
NHS South Sefton CCG	10,835	10,433	0	0
NHS Knowsley CCG	7,454	7,181	0	0
Health Education England	5,092	4,936	0	1
NHS Wirral CCG	2,346	2,426	0	0
NHS Halton CCG	1,216	1,361	0	0
NHS Warrington CCG	979	1,240	0	0
NHS Southport and Formby CCG	1,357	1,274	0	0
NHS St Helens CCG	1,046	1,137	0	0
Royal Liverpool and Broadgreen University Hospitals NHS Trust	1,045	1,027	2,942	2,896
NHS England - Core	6,808	5,526	4	0
NHS England - North West Specialised Commissioning Hub	20,268	21,425	0	0
NHS Resolution	0	0	15,299	15,728
NHS Pension Scheme	0	0	5,881	5,694
HM Revenue and Customs	0	0	4,887	4,693
Welsh Health Bodies - Betsi Cadwaladr University Local Health Board	1,251	933	0	0
University of Liverpool	129	330	923	736
	104,393	102,119	31,801	31,523

[Note 31 Events after the reporting date](#)

There are no events after the reporting year which require disclosure.



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