Wirral University Teaching Hospital NHS
NHS Foundation Trust

Board of Directors
Public Board

26th April 2017

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MEETING OF THE BOARD OF DIRECTORS ON WEDNESDAY 26th APRIL 2017
COMMENCING AT 9.00AM IN THE
BOARD ROOM
EDUCATION CENTRE, ARROWE PARK HOSPITAL

AGENDA

1	**Apologies for Absence** Chairman	v
2	**Declarations of Interest** Chairman	v
3	**Chairman's Business** Chairman	v
4	**Chief Executive's Report** Chief Executive	d
5. Quality and Safety		
5.1	**Patient's Story/Learning** Director of Nursing and Midwifery	v
5.2	**CQC Compliance and Action Plan Progress Update** Medical Director	d
6. Performance and Improvement		
6.1	**Integrated Performance Report**	
	6.1.1 Integrated Dashboard and Exception Reports Chief Operating Officer	d
	6.1.2 Month 12 Finance Report Director of Finance	d
6.2	**NHS Improvement Quarterly Return** Director of Finance	d
6.3	**Operational Plan** Director of Finance	d
7. Governance		
7.1	**Report of the Audit Committee** Chair of the Audit Committee	d
7.2	**Report of Finance Business Performance and Assurance Committee** Chair of Finance and Business Performance Assurance Committee	d
7.3	**Review of Register of Interests – Board Declaration** Director of Corporate Affairs	d

7.4	**Equality and Diversity Annual Report** Director of Nursing and Midwifery	d
7.5	**Board of Directors**	
	7.5.1 Minutes of the Previous Meeting – 29th March 2017	d
	7.5.2 Board Action Log Director of Corporate Affairs	d

8. Standing Items

8.1	**Items for BAF/Risk Register** Chairman	v
8.2	**Items to be considered by Assurance Committees** Chairman	v
8.3	**Any Other Business** Chairman	v
8.4	**Date and Time of Next Meeting** Wednesday 24th May 2017	v

Board of Directors	
Agenda Item	4
Title of Report	Chief Executive's Report
Date of Meeting	26 April 2017
Author	David Allison, Chief Executive
Accountable Executive	David Allison, Chief Executive
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	ALL
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	To Note
Data Quality Rating	N/A
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	N/A

This report provides an overview of work undertaken and important announcements over the reporting period.

Internal

- **New Director of Strategy**

Following a successful recruitment process Terry Whalley will join us as the new Director of Strategy from the 1st June 2017. Terry has worked previously with the Trust, as part of the Chief Executive Development Programme, so we are pleased to have him back.

- **Divisional resilience plans**

Janelle Holmes, Chief Operating Officer has been working with the Division of Surgery Womens and Children over the past few weeks with a view to strengthening the leadership in all parts of this large Division. In conjunction with senior colleagues, the Trust is progressing with plans to temporarily separate out the work of Surgery from that of Womens and Childrens for a period of 12- 18 months, in order that senior colleagues can focus on operational performance in Surgery and the strategic direction for Womens and Childrens. To support this separation, the leadership team for Womens and Children will be Dr Mark Doyle; Maureen Wain and Debbie Edwards. In Surgery this will be a senior clinician, to be confirmed, Jo Keogh and Naomi Holder. Jo Keogh will join the Trust on the 15th May 2017 and the change will formally take place from the 1st June 2017.

External

- **HSJ Modernising Healthcare Summit**

I will verbally update the Board having spoken at the HSJ Modernising Healthcare Summit on 19-20 April about the learning from Global Digital Excellence.

Regulatory

- **Care Quality Commission CQC**

The Trust met with the CQC on 10th April 2017 as part of its regular review and engagement programme. CQC have now introduced monthly monitoring for Trusts which we will use as part of our preparations for our next inspection. CQC provided the Trust with timescales in respect of the national inspection consultation outcome which was expected in early May 17. The outcome of this consultation will impact on the type of inspection the Trust will be part of in 2017.

Strategy

- **Accountable Care**

Good progress has been made in aligning the key stakeholders to an agreed vision for Accountable Care. Two workshops have been held and it has now been agreed to work with external facilitation to develop a detailed roadmap and appropriate governance.

- **Sustainability and Transformation Plans STP**

Dr Susan Gilby has joined the STP HQHC (High Quality Hospital Care) Clinical Reference Group, to complement my representation on the HQHC Steering Group. With Dr Gilby as the Senior Responsible Officer (SRO) for the STP HQHC Programme and myself as the SRO for the STP digital programme WUTH is now well represented regarding hospital reconfiguration, clinical variation and the digital agenda within the STP, or C&M FYFV (Cheshire & Merseyside Five Year Forward View), as it is now to be known.

- **GP Clinical Pharmacists**

The Trust's bid to NHSE for funding to deploy clinical pharmacists into GP practices was successful. Although starting small with 2 pharmacists working across six practices within the Primary Care Wirral Federation it is hoped that this will be a step towards removing the

boundaries along the patient pathway and optimising medicines across primary and secondary care.

Celebrating Success

I am delighted that our HR team has been shortlisted in the 'HR team of the year' category in this year's Healthcare People Management Association (HPMA) awards. The judging panel will take place on Friday 5 May 2017, and the award ceremony is being held on the 22nd June 2017.

The divisional winners for Team of the Quarter for Quarter 4 were as follows:

Corporate Services: **EBME / Central Equipment Library**
Diagnostics and Clinical Support: **Neurological Rehabilitation Therapy Service**
Medical and Acute: **Medical Short Stay Ward (MSSW) and Acute Medical Unit (AMU)**
Surgery, Women's and Children: **Trauma and Orthopaedics Team**

The overall Team of the Quarter winner was

Surgery, Women's and Children: **Trauma and Orthopaedics Team**

The award recognised the work undertaken in engaging and supporting staff, demonstrated with the Staff Survey scores of 2016. The staff engagement score was 4.15 and 93% for staff feeling they contribute to improvements at work.

David Allison
Chief Executive
April 2017

Board of Directors	
Agenda Item	5.2
Title of Report	CQC Preparedness Update
Date of Meeting	26th April 2017
Author	Joe Roberts, Head of Assurance
Accountable Executive	Dr Susan Gilby, Medical Director Mrs Gaynor Westray,
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	Risk 1 – The Trust does not promote a culture of quality and safety resulting in patient harm, poor patient experience, poor staff engagement and failure to meet statutory fundamental standards of care
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	To note
Data Quality Rating	Bronze – internal qualitative data, not subject to validation
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	Not applicable

1. Executive Summary

The purpose of this paper is to provide the Board with an update regarding preparedness for re-inspection by the Care Quality Commission. This includes a summary of the results of Care Quality Inspections (CQIs) undertaken during the reporting period, and a summary of the small number of issues which remain to be completed in the two action plans which arose from the last CQC inspection report.

The Board is also ask to note the change in Executive responsibility for quality and safety from the 1st April 2017 this has moved from the Director of Nursing and Midwifery to the Medical Director. The Trust will formally notify CQC of the change in responsible individual as part of its registration process.

Based on the results of the CQIs to date, and discussions at the recent CQC Engagement Meeting between the Trust and the CQC, the 'safe' domain (one of the five key questions which every inspection aims to answer) is likely to be crucial to the outcome of the next CQC inspection. This report outlines some of the work that is underway, or planned, to improve patient safety, and thus to work towards a 'good' rating for Safe.

2. Background

The Trust met with the CQC on 14th March and was advised that they now have a schedule of inspections for the next eighteen months, although the great majority of inspections will be either unannounced, or announced at very short notice.

The exact format of the inspections will depend on the outcome of CQC's recent consultation exercise. This will be published in early May. The most notable feature of the original proposals was to move away from undertaking full comprehensive inspections of Trusts, and instead to undertake more frequent unannounced inspections of individual core services, along with an annual review of the 'Well Led' domain at each organisation. The Trust responded to the consultation earlier this year.

The Trust's performance against the national four-hour waiting time target for Accident and Emergency, and the Referral to Treatment target, are likely to impact on our rating for the 'Responsive' domain, although CQC recognise the local and national context that the Trust is working within and will therefore focus on how the Trust is keeping patients safe during period of high demand.

The Senior Management Team will determine over the next couple of weeks, the extent of the Trust's preparedness plans and consider what further action is required. This will be informed by the new monthly monitoring process which CQC have commenced and will include the Trust undertaking a self-assessment against all 5 domains.

3. Key Issues

Action Plan Progress

The great majority of actions in the two CQC action plans are now complete. The main issues still outstanding in the Regulatory Plan (covering 'must do' actions from the inspection report) are as follows:

- *Safeguarding Training:* although great progress has been made in developing the new, integrated Protecting Vulnerable People training programme, due to operational pressures, the Trust has struggled to meet the trajectory for 8.2% of staff to be trained each month, which would have resulted in 100% compliance by October 2017. The specifications of much of our IT hardware mean that it has not yet been possible to implement full e-learning although facilities are available for clinical staff in the Library at APH and at Elm House, Clatterbridge. The Trust intends to focus significantly on this area as part of its preparations.
- *Radiology Capacity and Demand:* during 2016 the Divisional Medical Director completed a capacity-and-demand review which showed a high ratio of MR images to Radiologists. However, it has been extremely difficult to recruit to vacant Radiologist posts, which is very much in line with the national picture. The service are outsourcing activity in the meantime to ensure safe care is provided.

Within the Consolidated Divisional Plan, the main issues which have been delayed are as follows:

- *Implementing SAFER to improve patient flow:* during the year our target of achieving 25% of discharges in medical wards before noon has not been met. The Acute and Medical Division are working with the Transformation Team to review how SAFER works using a 'Plan, Do, Study, Act' model. This is a key priority for the Trust.
- *Implementing local governance dashboards:* this action for the Acute & Medical Division was dependent on either a new or improved risk management database system. The procurement process for such a system is underway however in the meantime, we will receive external consultancy support to increase the functionality of the existing system.

- *Medicines storage:* this is monitored by the Clinical Governance Group every month through an audit report but there has not yet been a consistent trend of improvement. The Director of Pharmacy and Medicines Management has introduced a new Medicines safety dashboard which will be reviewed at the Quality and Safety Committee.
- *Emergency Department minors workflow:* there was an action to create a dedicated staffing model (ENP review and medical staffing review). The ENP rotas have been redesigned to support extended working hours and it has been agreed that the ENPs work until midnight. The process was delayed due to discussion with Staffside; other aspects of the action in relation to medical staffing have been deferred to June 2017.
- *Seven day working:* within the plan, there was an action to to embed 7-day specialty ward rounds into standard practice. This has proven to be challenging to deliver within current resources. Seven-day working is a priority topic in our Quality Improvement Strategy and the Clinical Governance Group receives a regular report on performance against the seven-day standards, including benchmarking against our comparators nationally.

Care Quality Inspection Programme

Four visits have taken place since the last report to the Board – two on 15th March (the Maternity Ward and the Cardiorespiratory Outpatient Department) and two on 4th April (Wards 23 and 38). The inspection teams were well supported despite the hospital being extremely busy on both dates, and it is positive to note that the programme is now back on track after experiencing disruption and cancellations during January and February at times of full capacity.

The ratings achieved by each of the four areas were as follows:

Domain	*Maternity*	*Cardiorespiratory*	*Ward 23*	*Ward 38*
Caring	Good	Requires Improvement	Good	Good
Effective	Requires Improvement	Requires Improvement	Good	Good
Responsive	Good	Good	Outstanding	Requires Improvement
Safe	Requires Improvement	Good	Requires Improvement	Requires Improvement
Well led	Good	Good	Good	Good
Overall rating	***Requires Improvement***	***Requires Improvement***	***Good***	***Requires Improvement***

The CQIs are not just intended as a form of assurance, but also as a means for quality improvement. Evidence of improvement was evident in these inspections (with the exception of Cardiorespiratory, which has not been inspected before). Ward 23 raised its rating from 'requires improvement' to 'good'. Although the other areas were both rated as 'requires improvement' there was evidence in Maternity of an improved approach to staff rotas, and in Ward 38 of improvements to medicines management, which had been a major issue in their last inspection.

So far, 32 wards and other patient-facing clinical departments have been inspected, since the CQI programme began in January 2016. A summary of the ward ratings is given below (please note that, if an area has been inspected more than once, the ratings included in the table are the most recent ones).

	Outstanding	Good	Requires Improvement	Inadequate	Not Rated
Caring	5	20	4	0	3
Effective	1	19	11	0	1
Responsive	4	21	6	0	1
Safe	1	10	20	0	1
Well Led	2	21	6	0	3
Overall ward rating	***1***	***17***	***13***	***0***	***1***

From the analysis above, it is clear that the 'Safe' domain is the one where wards need to improve the most. Although the issues found are often ward-specific, medicines management is by far the most common theme in the CQI findings for the 'Safe' element of the inspection. It is also evident from CQC inspection reports of other organisations that it is a particular area of focus for CQC inspection teams.

Ward Accreditation Scheme
This was introduced in June 2016 and works in parallel with the Care Quality Inspections. The programme is delivered by the Matron within the Corporate Nursing Team. The inspection is more detailed and relies more heavily on reviewing individual patient records. Rather than giving CQC-style ratings, the scheme classes wards as Gold, Silver, or Bronze.

Between June and December 2016, twelve wards were accredited and the results were as follows:
Gold – 3
Silver – 5
Bronze – 4

Between January and March 2017, the accreditation process was scaled back because of the extreme operational pressures on the hospital, and assurance audits with a narrower scope were completed for three wards. The results were as follows:

	Ward 25	Ward 33	Ward 19
Standard 1: Organisation and Management of the Clinical Area	Gold	Silver	Silver
Standard 2: Medicine Management	Silver	Gold	Silver
Standards 3: Personalised care - privacy and dignity	Gold	Silver	Silver
Standard 4: Record Keeping	Silver	Bronze	Bronze
Standard 5: Nutrition & Hydration	Silver	Bronze	Silver

The results of the ward accreditations have generally been consistent with those of the CQIs and paint a similar picture. The two processes have worked in tandem; for example, an area which had been rated Bronze overall was prioritised for a Care Quality Inspection, and the inspection team followed up the progress that had been made on the issues which the accreditation had found.

4. Next Steps

Improving Patient Safety
A number of workstreams are currently in progress:

- A Safety Awareness Week is to be held (date to be confirmed), with the intention that it should be the first of a series of such events.
- The Trust is also organising weekly Patient Safety Summits. These will take approximately one hour; be chaired by a clinical Executive Director; and attended by as many clinical staff as possible, but all clinical staff are welcome to attend. Each meeting will discuss two recent serious incidents or clusters of lower harm incidents to identify the rapid changes that are needed to prevent similar incidents happening again. Where there are key learning points that are clearly evident, these will be communicated across the organisation as 'Safety Bites' within 24 hours.
- An external review of Quality Governance has been ongoing since the beginning of 2017, and a report, including detailed recommendations for change, is expected shortly.

Self-Assessment
The Trust has been advised by CQC to complete a self-assessment of its ratings for its core services and for the Trust as a whole. The last occasion on which we had to submit a self-assessment to CQC was in July 2015, two months prior to the last comprehensive inspection. This involved reviewing a wide range of internally-produced and externally-published evidence

documentation and intelligence, and reaching collective agreement among the Executive Team regarding our ratings. We envisage that we will take a similar approach this time.

Deep Dive
Four 'Deep Dive' events were held over the past year, in August, September, October and January, at which representatives of the three clinical divisions and the main corporate departments gave presentations and were questioned by the panel about the completion of their action plans and their preparedness for re-inspection. These meetings provided useful assurance and we plan to hold a further Deep Dive, focusing on quality and safety in the next few weeks.

Communication – Staff
Prior to the 2015 inspection, a variety of means were used to inform our staff about the inspection process, what the Inspectors would be doing, and what staff needed to do themselves. In addition to established communication channels such as CEO Forum and 'Start the Week', these included 'Little Gems' newsletters, presentations, and drop-in information sessions. This activity was spread over a period of seven months – while we may not have as much time available on this occasion, the Trust is considering communication as part of its preparedness.

5. Conclusion

The Trust has made considerable progress since its last CQC inspection in many areas. However, the 'Safe' domain of the inspection process remains a significant challenge. As stated above, medicines safety is a common theme from Care Quality Inspections and ward accreditations; other relevant issues for this domain include clinical handover; nurse staffing levels in Medicine and Acute and junior doctor staffing levels Trustwide; awareness of safeguarding (and particularly the Mental Capacity Act and Deprivation of Liberty Safeguards). Programmes of work are in place to address these issues and it is important that tangible results from the work can be demonstrated at the time of the inspection.

6. Recommendation

The Board is asked to note this report.

Board of Directors	
Agenda Item	**6.1.1**
Title of Report	**Integrated Performance Dashboard**
Date of Meeting	**26th April 2017**
Author	**Chris Oliver, Director of Operations** **John Halliday, Assistant Director of Information**
Accountable Executive	**Janelle Holmes** **Chief Operating Officer**
FOI status	**Document may be disclosed in full**
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	**All Strategic Objectives (1 through 7)** **All Key Measures (1A through 7D)** **All Principal Risks**
Level of Assurance • **Positive** • **Gap(s)**	**Partial with gaps**
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	**Discussion**
Data Quality Rating	**Silver – quantitative data that has not been externally validated**
FOI status	**Document may be disclosed in full**
Equality Impact Assessment Undertaken • **Yes** • **No**	**No**

1. Executive Summary

This report provides a summary of the Trust's performance against agreed key quality and performance indicators. The Board of Directors is asked to note the performance to the end of March 2017.

2. Summary of Performance Issues

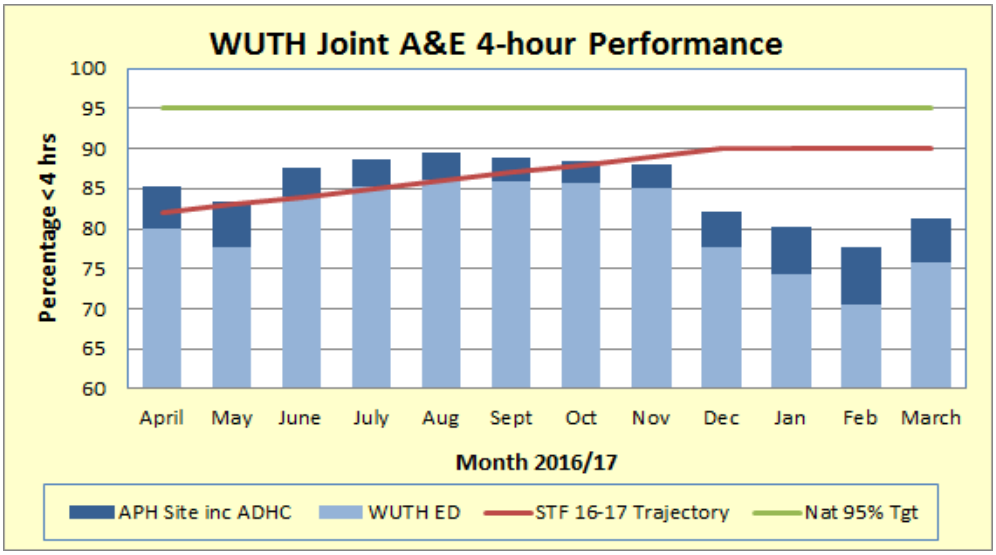
The key issues relating to external validation is achievement of the A&E and RTT targets, with detailed comments against each area below.

3. Detailed Explanation of Performance and Actions

a. A&E 4 Hour Target

Against the A&E standard of a minimum 95% of patients to be admitted, transferred or discharged within four hours, the month of March was 81.30% as measured across a combined ED and All Day Health Centre performance at the Arrowe Park site. ED alone was 75.71%.

The performance in March or the emergency access standard did not achieve the regulatory compliance level of 95% and was also below the Sustainability and Transformation Fund (STF) trajectory of 90.0%, as illustrated below.



Streaming from the Emergency Department

NHS England have asked all economies to review their processes for streaming self-presenting patients from the emergency department to primary care. NHS England have given economies frameworks to support a consistent approach to primary care streaming from emergency departments. The Trust has undertaken two pilots, totaling six days of providing primary care streaming in conjunction with Wirral Community Foundation Trust. The initial results are pleasing and the department is now undertaking a full review of the model, with

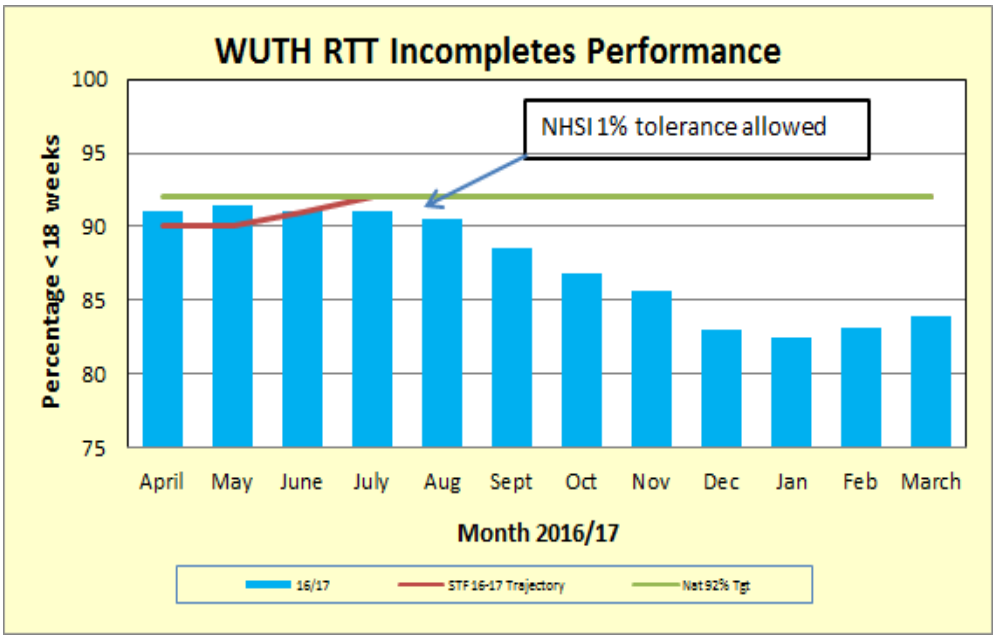
the expectation that formal delivery of primary care streaming will be in place no later than September 2017.

The Board will be aware of the increase numbers of ambulance presentations to the emergency department and the impact this has on the department, especially at times of surge. To address this area of pressure in March the department undertook a pilot to ascertain whether a primary nurse triage of ambulance arrivals in the hub would enable safe and effective streaming of ambulance presentations. The objective of the pilot was to reduce the ambulance handover delay and if appropriate stream patients from the emergency department to either the Walk in Centre or into the department's own minor's workflow. The trial was undertaken over two weeks and during that period the Trust reduced average ambulance handover times from 21minutes to 11 minutes. In addition 18% of ambulance arrivals were deflected from the major's assessment area. The department is now working this model into business as usual as it is expected to be in place by May.

b. 18 Weeks Referral To Treatment (RTT)

The focus of RTT is now solely on the incomplete standard, with the threshold set at a minimum 92% of patients waiting to be seen at 18 weeks or less.

As expected the Trust did not achieve the national standard and STF trajectory at the end of March, with the final position being reported at 83.99%. In addition the Trust reported 4 x 52 week breaches. Full Root Cause Analysis has been completed and patient treatment plans are in place.



The Trust continues to work with NHS Improvement and the national Intensive Support Team (IST) on our recovery plan to deliver improved performance back

up towards the standard. In conjunction with the IST the Trust is in the process of establishing an RTT Programme Board to bring the tracking of the RTT workstreams under one governance framework.

c. Diagnostic Six Weeks Wait

Although a supportive measure for RTT, the standard that patients should wait less than six weeks for a diagnostic test is a key performance metric in its own right. Waiting times against a subset of 15 diagnostic investigations are measured at the end of every month. The threshold standard is that a minimum of 99% of patients waiting should have waited less than 6 weeks. WUTH performance for the end of March was 99.70%.

d. Cancer

For Cancer access targets, the 62-day standard continues to be the most difficult to achieve, and this is reflected in performance levels at a national level. This particular standard also has an explicit line in STF trajectories, with the expectation the 85% standard will be achieved each month. Cancer waiting time performance is only finalised many weeks after month-end due to the time required to confirm diagnosis and share patient pathways between providers. The current performance against the 62-day Cancer standard for the current quarter is detailed in the dashboard. Although challenging the Trust does not foresee non-compliance with cancer waiting time standards.

e. Infection Control

For C Difficile, there have been two hospital acquired cases in the month of March, however neither of these is considered avoidable. The year-end position is therefore 13 cases, and below the annual maximum trajectory of 29 cases.

4. Recommendation

The Board of Directors are asked to:

Note the Trust's current performance to the end of March 2017.

WUTH Integrated Performance Dashboard - Report on February for April 2017 BoD

Area	Indicator / BAF	Jan	Feb	Mar	Trend / Future Concern	*Target (for 'Green')*	Latest Period	Exec Lead
Meeting Our Vision	**Satisfaction Rates**							
	Patient - F&F "Recommend" Rate	98%	99%	100%		>=95%	March 2017	GW
	Patient - F&F "Not Recommend" Rate	1%	0%	0%		<=2%	March 2017	GW
	Staff Satisfaction (engagement)	3.78	3.78	3.78		>=3.69	Q4 2016/17	JM
	First Choice Locally & Regionally							
	Market Share Wirral	83.0%	80.6%	81.0%		>= 85%	Oct to Dec 2016	CO
	Demand Referral Rates	-7.3%	-7.9%	-8.7%		>= 3% YoY variance	Fin Yr-on-Yr to Mar 2017	CO
	Market Share Non-Wirral	8.0%	7.0%	6.8%		>=8%	Oct to Dec 2016	CO
	Strategic Objectives							
	Harm Free Care	96%	96%	96%		>= 95%	March 2017	GW
	HIMMs Level	5	5	5		5	March 2017	MB
Operational Excellence	**Key Performance Indicators**							
	A&E 4 Hour Standard	80.31%	77.61%	81.30%		>=95%	March 2017	CO
	RTT 18 Weeks Incomplete Position	82.51%	83.15%	83.93%		>=92%	March 2017	CO
	Diagnostics 6 Week Standard	99.64%	99.80%	99.70%		>=99%	March 2017	CO
	Cancer Waiting Time Standards	On track	On track	On track		All met at Trust level	Q4 to March 2017	CO
	Infection Control (c Diff cumulative)	1 MRSA; 12 C diff	1 MRSA; 13 C diff	1 MRSA; 13 C diff		0 MRSA Bacteraemia in month, and cdiff less than cumulative trajectory	March 2017	GW
	Productivity							
	Delayed Transfers of Care	43	39	46		Metric redefined	March 2017	CO
	Delayed Complex Care Packages	78	84	110		<= 45	March 2017	CO
	Bed Occupancy	91.6%	91.1%	90.6%		<=85%	March 2017	CO
	Bed Occupancy Medicine	95.1%	95.3%	94.2%		<=85%	March 2017	CO
	Theatre Utilisation	83.6%	88.2%	88.8%		>=85%	March 2017	CO
	Outpatient DNA Rate	7.9%	7.4%	7.7%		<=6.5%	March 2017	CO
	Outpatient Utilisation	82.0%	82.2%	80.9%		>90%	March 2017	CO
	Length of Stay - Non Elective Medicine	5.3	5.5	5.8		<= 5.0	March 2017	CO
	Length of Stay - Non-elective Trust	5.1	4.9	5.2		<=4.2	March 2017	CO
	Contract Performance (activity)	-4.0%	-4.2%	-3.7%		0% or greater	March 2017	CO
	Finance							
	Contract Performance (finance)	-1.4%	-1.6%	-1.9%		On Plan or Above YTD	March 2017	DJ
	Expenditure Performance	-1.5%	-2.2%	-3.1%		On Plan or Below YTD	March 2017	DJ
	CIP Performance	0.0%	0.0%	0.0%		On Plan or Above	March 2017	DJ
	Capital Programme	26.5%	22.4%	-1.2%		On Plan	March 2017	DJ
	Non-Core Spend	9.3%	9.3%	9.4%		<5%	March 2017	DJ
	Cash Position	-21.0%	76.0%	-32.0%		On plan or above YTD	March 2017	DJ
	Cash - liquidity days	-30.5	-32.9	-16.7		> 0 days	March 2017	DJ
A Healthy Organisation	**Clinical Outcomes**							
	Never Events	0	1	1		0 per month	March 2017	SG
	Complaints	24	32	35		<30 per month	March 2017	GW
	Workforce							
	Attendance	95.59%	95.61%	96.05%		>= 96%	March 2017	JM
	Qualified Nurse Vacancies	4.04%	3.63%	5.79%		<=6.5%	March 2017	GW
	Mandatory Training	92.24%	91.84%	91.83%		>= 95%	March 2017	JM
	Appraisal	83.46%	83.68%	84.74%		>= 85%	March 2017	JM
	Turnover	10.46%	10.51%	11.04%		<10%	March 2017	JM
	Agency Spend	12.5%	12.6%	12.5%		On plan	March 2017	GW
	Agency Cap	88	103	151		0	March 2017	JM
External Validation	**National Comparators**							
	Advancing Quality (not achieving)	2	2	3		All areas above target	March 2017	SG
	Mortality: HSMR	89.56	92.01	91.54		Lower CI < 0.90	April to Dec 2016	SG
	Mortality: SHMI	0.983	0.983	0.983		Lower CI < 90	Jan to Dec 2015	SG
	Regulatory Bodies							
	NHSI - Use of Resources (UoR) Rating	3	3	3		1 or 2 (NHSI amended Oct 2016)	March 2017	DJ
	CQC	Amber	Amber	Amber		Overall CQC rating Requires Improvement	March 2017	SG
	Local View							
	Commissioning - Contract KPIs	6	7	8		<=2	March 2017	CO

Quarter	4
Period	01/01/2017 - 31/03/2017

Target	62 Day Wait
Indicator	GP Urgent Referral to First Definitive Treatment
Threshold	85.00%
Risk	£1000 for each excess breach above the threshold in the quarter

Quarter 4 - Total

Division	Tumour Group	Breaches			Treatments			Compliance	
		Actual	Predicted	Total	Actual	Predicted	Total	Actual	Predicted
Medicine	Haematology	0	0	0	8	2	10	100.00%	100.00%
	Lung	1	0	1	9	2	11	88.89%	90.91%
	Other	1	0	1	3.5	0.5	4	71.43%	75.00%
Med & Surg	Upper GI	0	0	0	7	1	8	100.00%	100.00%
Surgery	Breast	0	0	0	35.5	1	36.5	100.00%	100.00%
	Colorectal	4	0	4	19.5	0	19.5	79.49%	79.49%
	Head & Neck	2	0	2	4	0.5	4.5	50.00%	55.56%
	Skin	2	0	2	55.5	2	57.5	96.40%	96.52%
	Urology	15	2	17	62.5	5	67.5	76.00%	74.81%
Women's	Gynaecology	3	0	3	7	1	8	57.14%	62.50%
	Total	**28**	**2**	**30**	**211.5**	**15**	**226.5**	86.76%	86.75%

Quarter 4 - January

Division	Tumour Group	Breaches			Treatments			Compliance	
		Actual	Predicted	Total	Actual	Predicted	Total	Actual	Predicted
Medicine	Haematology	0	0	0	4	0	4	100.00%	
	Lung	1	0	1	7	0	7	85.71%	
	Other	1	0	1	2	0	2	50.00%	
Med & Surg	Upper GI	0	0	0	3	0	3	100.00%	
Surgery	Breast	0	0	0	14	0	14	100.00%	
	Colorectal	1	0	1	6.5	0	6.5	84.62%	
	Head & Neck	1	0	1	2	0	2	50.00%	
	Skin	0	0	0	17.5	0	17.5	100.00%	
	Urology	5	0	5	19.5	0	19.5	74.36%	
Women's	Gynaecology	2	0	2	4	0	4	50.00%	
	Total	**11**	**0**	**11**	**79.5**	**0**	**79.5**	86.16%	

Quarter 4 - February

Division	Tumour Group	Breaches			Treatments			Compliance	
		Actual	Predicted	Total	Actual	Predicted	Total	Actual	Predicted
Medicine	Haematology	0	0	0	3	0	3	100.00%	
	Lung	0	0	0	1.5	0	1.5	100.00%	
	Other	0	0	0	1.5	0	1.5	100.00%	
Med & Surg	Upper GI	0	0	0	3	0	3	100.00%	
Surgery	Breast	0	0	0	10.5	0	10.5	100.00%	
	Colorectal	1	0	1	6	0	6	83.33%	
	Head & Neck	0	0	0	1	0	1	100.00%	
	Skin	0	0	0	20	0	20	100.00%	
	Urology	8	0	8	26.5	0	26.5	69.81%	
Women's	Gynaecology	1	0	1	2	0	2	50.00%	
	Total	**10**	**0**	**10**	**75**	**0**	**75**	86.67%	

Quarter 4 - March

Division	Tumour Group	Breaches			Treatments			Compliance	
		Actual	Predicted	Total	Actual	Predicted	Total	Actual	Predicted
Medicine	Haematology	0	0	0	1	2	3	100.00%	100.00%
	Lung	0	0	0	0.5	2	2.5	100.00%	100.00%
	Other	0	0	0	0	0.5	0.5	N/A	100.00%
Med & Surg	Upper GI	0	0	0	1	1	2	100.00%	100.00%
Surgery	Breast	0	0	0	11	1	12	100.00%	100.00%
	Colorectal	2	0	2	7	0	7	71.43%	71.43%
	Head & Neck	1	0	1	1	0.5	1.5	0.00%	33.33%
	Skin	2	0	2	18	2	20	88.89%	90.00%
	Urology	2	2	4	16.5	5	21.5	87.88%	81.40%
Women's	Gynaecology	0	0	0	1	1	2	100.00%	100.00%
	Total	**7**	**2**	**9**	**57**	**15**	**72**	87.72%	87.50%

Board of Directors	
Agenda Item	6.1.2
Title of Report	Month 12 Finance Report
Date of Meeting	26th April 2017
Author	Gareth Lawrence, Deputy Director of Finance
Accountable Executive	David Jago, Executive Director of Finance
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	 8 8c,8d
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	To note
Data Quality Rating	Silver – quantitative data that has not been externally validated
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	No

Overview

This paper provides an update to the Board of Directors on the financial performance of the Trust for the 2016/17 financial year.

At the end of the financial year the Trust has reported a deficit of £11.9m, inclusive of impairments of £1.5m therefore generating a normalised deficit of £10.4m. The adverse variance is being driven by three key elements:

- Non achievement of STF targets - £3m
- Non delivery of the Health economy challenge - £5m
- Continued Operational pressures as a result of Health Economy challenges.

The Trust has therefore delivered the revised forecast that was initially shared with regulators in September 2016 and is marginally better than the forecast that was agreed as part of the forecast protocol.

The Trust delivered the CIP total of £11.2m in year, with £8.3m delivered recurrently.

The Trust finished the Financial year with a cash balance of £5.4m, while his was below the initial plan this was higher than forecast as a result of the Trust agreeing with regulators and the Department of Health to retain the delayed STF Q3 payment.

The Trust has achieved an overall Use of Resources (UoR) Rating of 3, which is below the recalculated plan rating of 2. The adverse performance is driven by the issues noted above in respect of the £5.0m stretch challenge and loss of STF.

Income and Expenditure Performance

In March 2016 the Board of Directors agreed to the control total set by NHSI that enabled access to the STF. Table 1 below details the current performance against the submitted plan and Table 2 shows the underlying financial performance

Table 1: Summary Financial Statement

SUMMARY FINANCIAL STATEMENT							
	PLAN	MONTH 12			FULL YEAR		
	Full Year Plan £m	Plan £m	Actual £m	Variance £m	Plan £m	Actual £m	Variance £m
NHS Clinical Income	294.936	25.099	23.838	(1.261)	294.936	289.357	(5.579)
Other Income	29.987	2.597	3.049	0.453	29.987	32.156	2.169
Employee Expenses	(213.306)	(16.018)	(18.741)	(2.723)	(213.306)	(224.301)	(10.995)
All Other Operational Expenses	(97.763)	(8.049)	(8.555)	(0.505)	(97.763)	(96.417)	1.347
EBITDA	**13.854**	**3.629**	**(0.408)**	**(4.037)**	**13.854**	**0.795**	**(13.058)**
Post EBITDA Items	(13.673)	(1.165)	(0.646)	0.519	(13.673)	(12.713)	0.960
Net Surplus/(Deficit)	**0.181**	**2.464**	**(1.054)**	**(3.518)**	**0.181**	**(11.918)**	**(12.098)**
Adjusted Net Surplus/(Deficit)		**2.464**	**(1.054)**	**(3.518)**	**0.181**	**(10.385)**	**(10.566)**
EBITDA %	**4.3%**	**13.1%**	**(1.5%)**	**(14.6%)**	**4.3%**	**0.2%**	**(4.0%)**

Income:

The Trust finished the 2016/17 with clinical income being below plan by £5.6m. This has been driven by the non delivery of STF (£3m) and non delivery of the activity plan for other commissioners.

The Trust's clinical income plan was supported by the financial envelope agreed with Wirral CCG for 2016/17 by £5.2m. As the Trust has agreed a PbR contract for next year this level of support will not be available next financial year.

Expenditure:

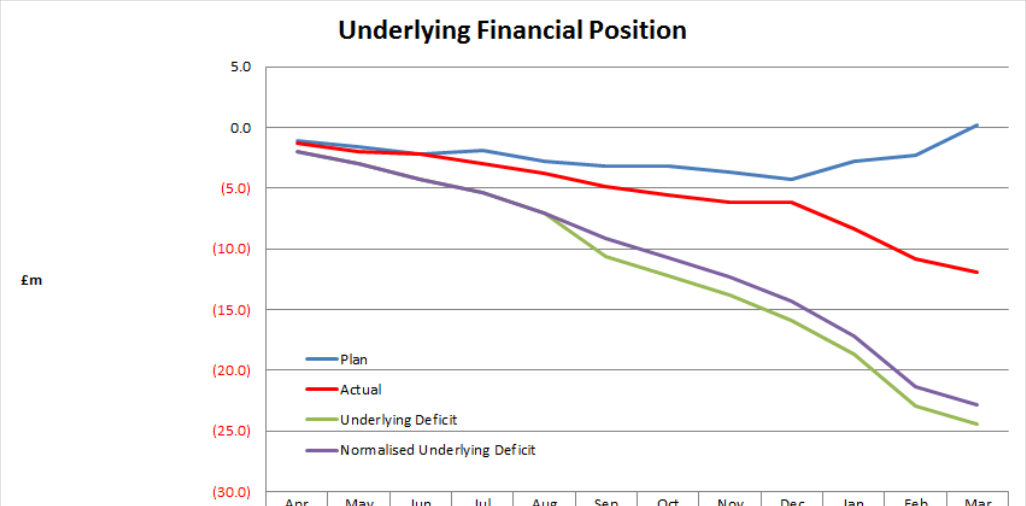
Employee costs finished the financial year above plan. This was driven by:

- Non achievement of the Health Economy Challenge (£5m)
- Non achievement of Pay CIP (£1m)
- Operational pressures as a result of Health economy challenges (£2.3m)

The Trusts position has been supported by non recurrent costs savings in year which is demonstrated in the underlying position displayed within Table 2.

Non-pay for the 2016/17 was delivered below plan (£1.3m); this was driven by non-recurrent savings which have been utilised to deliver the financial position.

Table 2: Underlying Financial Performance



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Plan	(1.1)	(1.6)	(2.2)	(1.9)	(2.8)	(3.2)	(3.2)	(3.7)	(4.2)	(2.8)	(2.3)	0.2
Actual	(1.3)	(2.0)	(2.2)	(3.0)	(3.8)	(4.8)	(5.5)	(6.2)	(6.1)	(8.3)	(10.9)	(11.9)
Underlying Deficit	(2.0)	(3.0)	(4.3)	(5.4)	(7.1)	(10.6)	(12.2)	(13.9)	(15.9)	(18.7)	(22.9)	(24.4)
Normalised Underlying Deficit	(2.0)	(3.0)	(4.3)	(5.4)	(7.1)	(9.2)	(10.7)	(12.3)	(14.4)	(17.2)	(21.4)	(22.9)

The normalised underlying deficit reflects the non recurrent savings and income gains that the Trust has delivered/received in year. The non recurrent nature of the savings has been reflected in the agreed financial plan for 2017/18.

Cost Improvement Programme (CIP)

The CIP target for 2016/17 is £11.2m. The table below demonstrates the final CIP delivery in terms of both the in-year and recurrent position, this is shown by both division and work stream.

Table 3 – CIP Performance by Workstream and Division

	In Year			Recurrent		
	NHSI Plan	Forecast	Variance	NHSI Plan	Forecast	Variance
Workstream	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Theatres/ Elective Pathway	1.5	1.4	(0.1)	1.5	1.4	(0.1)
Outpatients (Medical & Surgical)	0.7	0.2	(0.5)	0.7	0.3	(0.4)
Patient Flow - EL & NEL	0.8	0.0	(0.8)	0.8	0.0	(0.8)
Radiology	0.2	0.4	0.2	0.2	0.4	0.2
Pathology	0.4	0.1	(0.3)	0.4	0.2	(0.2)
Nurses & Therapies Staffing	0.6	0.7	0.1	0.6	0.3	(0.3)
A&C Review - Clinical/ Non Clinical/ Management	1.0	0.4	(0.6)	1.0	0.2	(0.8)
Medical Staffing	0.0	0.0	0.0	0.0	0.0	0.0
Central HR Initatives	0.7	0.9	0.2	0.7	0.8	0.1
COCH Collaboration	0.3	0.0	(0.3)	0.3	0.0	(0.3)
Pharmacy Services & Medicines Management	0.4	0.9	0.5	0.4	0.5	0.1
Procurement & Inventory Management	1.3	0.8	(0.5)	1.3	0.5	(0.8)
IT Enabled	0.2	0.2	0.0	0.2	0.1	(0.1)
Special Purpose Vehicles/ Contract optimisation	0.5	0.0	(0.5)	0.5	0.0	(0.5)
Estates/ Site Review	0.6	0.2	(0.4)	0.6	0.2	(0.4)
Facilities	0.4	0.4	0.0	0.4	0.2	(0.2)
Coding	1.0	1.0	0.0	1.0	1.0	0.0
Central Commercial Opportunities & Private Patients	0.3	0.1	(0.2)	0.3	0.2	(0.1)
Divisional & Departmental Schemes	0.4	0.6	0.2	0.4	0.6	0.2
Other	(0.1)	2.9	3.0	(0.1)	1.4	1.5
TOTAL	**11.2**	**11.2**	**0.0**	**11.2**	**8.3**	**(2.9)**
Medicine & Acute	3.1	1.5	(1.6)	3.1	1.1	(2.0)
Surgery, Women & Children	3.6	2.7	(0.9)	3.6	2.1	(1.5)
Clinical Support Services	1.7	1.0	(0.7)	1.7	0.9	(0.8)
Corporate	1.8	2.6	0.8	1.8	2.4	0.6
Central	1.0	3.4	2.4	1.0	1.8	0.8
TOTAL	**11.2**	**11.2**	**0.0**	**11.2**	**8.3**	**(2.9)**

The Trust has delivered the £11.2m full year target within the plan. While only £8.3m has been delivered recurrently the non-delivery has been factored into the 2017/18 agreed base plan.

It is of note that the above figures are exclusive of the £5m health economy challenge included in the submitted plans approved by the Board of Directors.

Cash position, capital expenditure and Use of Resources (UoR) Rating

The Trust finished the financial year with a cash balance of £5.4m. While this is below the initial plan it is higher than the revised forecast figure as a result of the Trust negotiation with NHSI, Department of Health and Treasury for the non-payment of the working capital facility once the Q3 STF was received. This has enabled the Trust to have increased cash resilience in the early part of the next financial year.

Capital concluded the year broadly in line with initial plans and revised forecast issued to NHSI in the last quarter of the year.

The Trust delivered a UoR Rating of 3 at the end of the financial year. While this was below plan this was in line within revised forecasts. The UoR Rating performance is supported by the strong performance on the agency metric; this performance is currently preventing the Trust from delivering a UoR Rating of 4 which would indicate the highest level of risk.

Table 4 – Use of Resources (UoR) Rating

Use of Resources (UoR) Rating

	Metric	Description	Weighting %	2016/17 Plan		2016/17 Actual	
				Metric	*Rating*	*Metric*	*Rating*
Financial sustainability	**Liquidity (days)**	Days of operating costs held in cash-equivalent forms	20%	-24.2	4	-16.7	4
	Capital service capacity (times)	Revenue available for capital service: the degree to w hich generated income covers financial obligations	20%	2.4	2	0.2	4
Financial efficiency	**I&E m argin (%)**	Underlying performance: I&E deficit / total revenue	20%	0.1%	2	-3.3%	4
Financial controls	**Distance from financial plan (%)**	Show s quality of planning and financial control : YTD deficit against plan	20%	-0.5%	2	-3.4%	4
	Agency spend (%)	Distance of agency spend against cap	20%	-0.1%	1	-12.5%	1
Overall NHSI UoR Rating					**2**		**3**

Conclusion

The Trust has delivered a challenging revised forecast position that was initially discussed with regulators in September 2016. This is especially pleasing given the level of Operational challenge that has been created as a result of service reductions and retractions within the Health and Social care economy outside of the Trust's control.

While closing cash is below the initial planned figure, it is higher than initially forecast due to the negotiations that took place between the Trust, Department of Health and NHSI around retaining the increased working capital facility, therefore giving the Trust more cash resilience as it enters 2017/18.

The strong work in controlling agency spend has resulted in the Trust maintaining a UoR Rating of 3 at the end of the financial year. This work will continue into the new year, as it will enable the Trust to maintain this risk rating.

The delivery of the Cost Improvement Plan has been a significant positive through the year and work continues into the new financial year to build on this achievement.

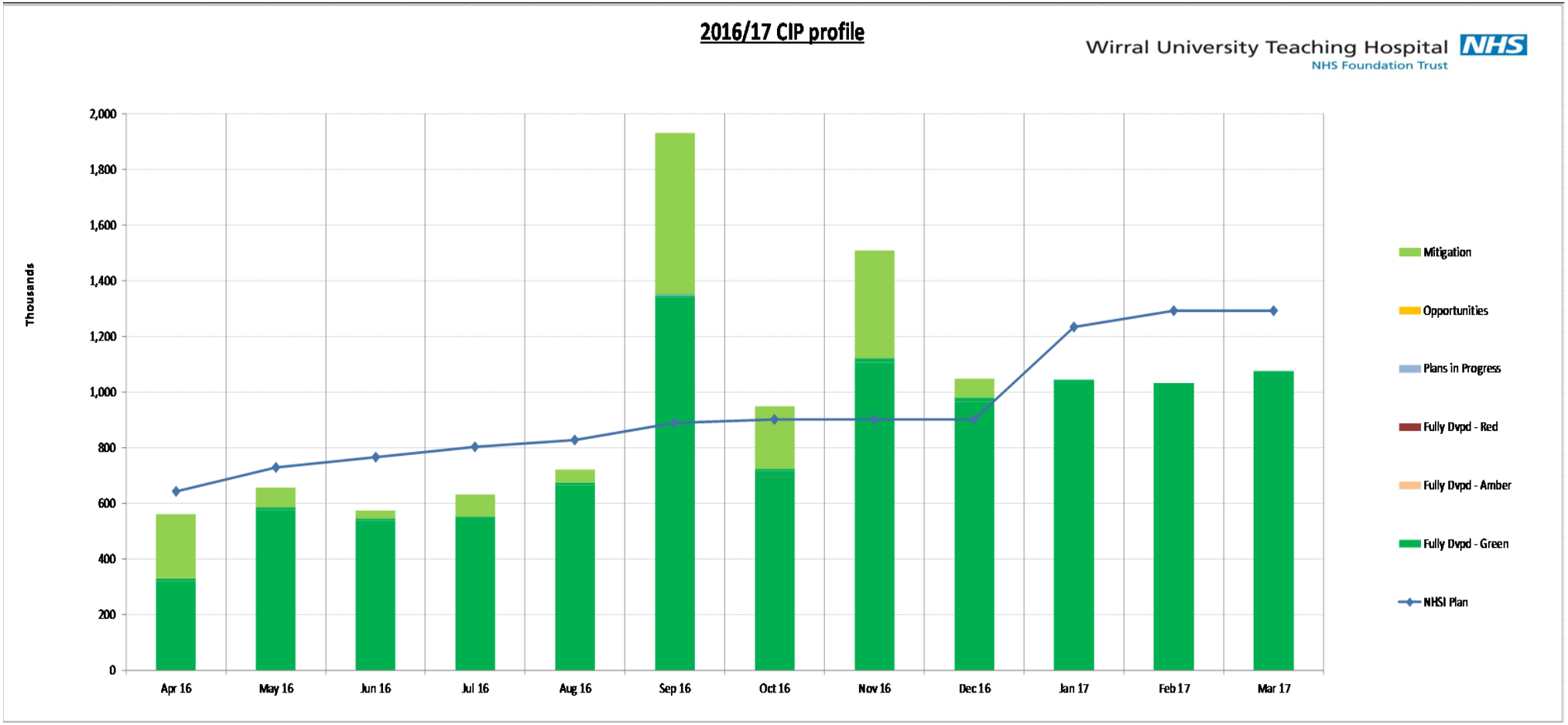
Recommendations

The Board of Directors is asked to note the contents of this report.

David Jago
Director of Finance
April 2017

Appendix 1: CIP Monthly Profile

The following chart highlights the CIP trajectory by Monitor Status and Risk Rating for the year, as at M12



Board of Directors	
Agenda Item	6.2
Title of Report	Month 12 - NHSI Commentary
Date of Meeting	26th April 2017
Author	Shahida Mohammed - Assistant Director of Finance
Accountable Executive	David Jago, Executive Director of Finance
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	8 8c,8d
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	To note
Data Quality Rating	Silver – quantitative data that has not been externally validated
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	No

Month 12 2016/17 Financial Commentary for NHS Improvement

The following commentary details the Trust's financial performance during March (Month 12) and the cumulative outturn position for FY17 against plan.

The Trust recorded an actual normalised deficit of (£1.1m) during the month, against a planned surplus of £2.5m. For FY17 the Trust is reporting a normalised deficit of (£10.4m) against the control total surplus of £0.2m. While this position is adverse performance to plan agreed by the Board of Directors and submitted to NHSI it is in-line with the revised forecast that was presented to regulators in September 2016. The adverse performance materially being driven by;

- The impact of the Health Economy challenge (£5m saving) that was profiled within Q4
- As a result of the Health Economy challenge not being delivered the Trust was not able to access the Sustainability and Transformation Funding (STF) for Q4; this in turn impacted the position by (£2.5m), in addition to RTT non-compliance pressures of (£0.5m).
- The Trust continues to experience an increase in demand for its Non Elective services over and above those that have been reported all year. The additional internal costs of this were c. £2.5m.

Pay costs exceed plan, reflecting operational pressures in supporting Non Elective activity levels and Better Care fund challenges within the health and social care economy. To maintain patient safety the Trust has had to increase internal escalation areas as a result of higher than planned demand for non elective patients within the system. The increased demand reflects a reduction in step down beds within the health economy as a result of savings within the Better Care Fund (BCF) and the reduction in domiciliary care within the health and social care economy. This position has been further compounded following the closure of intermediate care bed provisions within the health economy following CQC concerns which has resulted in the requirement for escalation beds to be opened within the Trust. As a result of the increased demand for social care beds the A&E Delivery Board agreed to spot purchase additional capacity within the Health Economy based on a "fair shares" basis. Despite this the Trust still has a number of "medically optimised" patients within the bed base. Going forward for 17/18 the CCG and L/A have agreed to share BCF programmes of work and KPIs and ensure system wide "sign off" of additional resources and key metrics, so all stakeholders are aware of progress and action plans. It has to be noted, there will be operational and financial consequences of the continued escalation pressures on beds into 17/18, particularly as the Trust embarks on a "cost per case" contract with the CCG.

The CCG have notified the Trust of their intentions to undertake a review of the provision of Urgent Care Treatment in Wirral, including, Accident and Emergency services, Walk in Centres and Minor Ailment Centres. The aims of the review include improving the patient journey, outcomes, wait times, and achieve the 4 hrs. standard, and reinvest the current urgent care spend in new ways of working, this review is due to commence in May 2017, and conclude by October 2017.

The Trust concluded the financial year with a cash balance of £5.4m, exceeding the revised forecast position. This reflects the agreement reached with the Treasury Department for the Trust to retain the delayed STF cash payment for Q3 which was paid in March 16, to support operational expenditure as opposed to utilising the monies to reduce the work capital facility.

The table below highlights the overall normalised position in month and year to date.

	MONTH 12			YTD		
	Plan £m	**Actual £m**	**Variance £m**	**Plan £m**	**Actual £m**	**Variance £m**
NHS Clinical Income	25.099	23.838	(1.261)	294.936	282.447	(12.489)
Non NHS Clinical Income	0.152	0.156	0.004	1.823	1.742	(0.081)
Non Clinical Income	2.445	2.894	0.449	28.164	37.324	9.160
TOTAL INCOME	**27.696**	**26.888**	**(0.808)**	**324.923**	**321.513**	**(3.410)**
Employee Expenses	(16.018)	(18.741)	(2.723)	(213.306)	(224.301)	(10.995)
Other Operational Exp.	(8.049)	(8.555)	(0.505)	(97.763)	(96.417)	1.347
TOTAL EXPENSES	**(24.067)**	**(27.296)**	**(3.228)**	**(311.069)**	**(320.718)**	**(9.648)**
EBITDA	**3.629**	**(0.408)**	**(4.037)**	**13.854**	**0.795**	**(13.059)**
Post EBITDA Items	(1.165)	(0.646)	0.519	(13.673)	(12.713)	0.960
Net Surplus/(Deficit)	**2.464**	**(1.054)**	**(3.518)**	**0.181**	**(11.918)**	**(12.099)**
Normalised Surplus/(Deficit)	**2.464**	**(1.050)**	**(3.514)**	**0.181**	**(10.385)**	**(10.566)**
EBITDA Margin %	13.1%	(1.52%)	(14.62%)	4.26%	0.25%	4.01%

Note:

Of the adverse variance in "NHS Clinical Income" above £6.9m relates to the re-categorisation of the STF allocation to the "Non Clinical Income" category above, which is showing a surplus. This adjustment reflects revised guidance issued by NHSI in January 2017.

NHS Clinical Revenue

Cumulatively actual activity delivered is below the plan, with the exception of A&E, Elective excess bed days and Outpatient Diagnostics. This predominantly reflects the increase in emergency demand and patient acuity levels. The position also reflects a richer case mix which has impacted the financial position in non-elective activity. The over recovery in Non PbR areas mainly reflects over performances in, neonatal, patient appliances and rehabilitation activity.

The Trust benefited from the envelope agreed with Wirral CCG at the start of the financial year by £5.2m.

Associate contract income is down in month as a result of increased cancellations of elective activity due to increases in non elective demand.

Non Clinical Income

The year to date favorable position includes the £6.9m STF allocation issue as noted above.

Operating Expenditure

In March (Month 12) operating expenditure exceeds plan by (£3.2m) with a YTD variance to (£9.6m).

Pay costs exceeded plan by (£2.7m), and are showing a cumulative overspend of (£11.0m). The issues driving the current cumulative adverse performance in pay are:

- A further (£1.7m) impact from the health economy challenge which was included in the pay plan for the last quarter of the financial year (£5.0m) YTD.

- Other pay pressures relate to internal escalation capacity being open since April 2016 and increased costs within A&E to deal with increased levels of acuity and attendances. The Trust is working with external partners via the A&E Board and the System Wide Recovery group. The impact of these escalation costs beds are a further c (£0.2m) in March and (£2.3m) cumulatively.

- Non–delivery of cost improvement plans in relation to pay work-streams of c (£2.1m) comprises some of the pay overspend; this has been partially mitigated by vacancies within the Divisions representing a £1.1m of non-recurrent pay mitigation.

- Other operational pressures in medical staffing costs have continued during the month. Within the Emergency Department, the medical staffing position there is a further (£0.1m) impact in March and there remains a pressure of approximately (£0.8m) in the year to date position.

- Use of WLIs to meet RTT and cancer targets particularly earlier in the year of c (£0.3m).

- Overall during the year other staffing pressures across numerous workforce categories has resulted in the remaining pay operational overspend of c (£1.5m).

- Agency spend was £7.1m as at the end of March which is c£1.0m lower than the required ceiling. This reflects the work the Trust is undertaking on managing agency costs across the organization. There is a continual focus on improving the agency trajectory going into 17/18 but risks noted in some key difficult to recruit areas such as radiologists.

Non pay costs exceeded plan by £ (0.5m) during March but remains cumulatively below plan by £1.4m.

- The discharge to assess beds in Elder-home impacted the position by a further c (£0.2m) during March, in addition to c (£0.1m) reflecting the Trust “share” of the agreement across the Wirral health economy for all other IMC bed costs to supplement the reduced provision and incurred over the winter months.

The overall cumulative underspend in non pay costs represents one-off reductions in provisions and accruals as well as the non-recurrent benefit of the renegotiation of the Cerner contract c£1.6m. These non recurrent items offset operational pay cost pressures as detailed above.

EBITDA

EBITDA was below plan predominantly due to the adverse variances within expenditure with key drivers detailed above.

Achievement of the 2016/17 Cost Improvement

The 2016/17 plan assumed the achievement of £8.6m of cost improvement programmes and £2.6m revenue generation schemes through the year, delivering a combined total of £11.2m.
Plans amounting to some £9.5m were identified and extracted according to the profile of the schemes at the beginning of the financial year, with the unidentified balance of £1.7m extracted in a flat profile (12 ths).
The CIP position for 2016/17 (including non-recurrent schemes) can be summarised as follows:

Theme	16/17 Plan £m	16/17 Actual £m	Variance (£m)
Productivity & Efficiency	3.6	2.2	(1.4)
Workforce	2.5	2.0	(0.5)
Cost Control & management	2.4	1.9	(0.5)
Estate Management	1.0	0.6	(0.4)
Income	1.3	1.1	(0.2)
Other schemes	0.4	3.4	3.0
TOTAL	**11.2**	**11.2**	**0**

The Trust delivered the full year efficiency target of £11.2m, albeit underpinned by the depreciation review and Cerner contract savings. The challenge continues into 17/18 in the conversion of ideas and opportunities into expenditure releasing recurrent schemes. The Trust has catered for the impact of the non recurrent schemes in its submitted two year plan and has fully sighted the Board of Directors on the impact on the underlying position.

The Trust continues to focus its attention on managing performance against schemes identified and milestones agreed through the Transformation Steering Group (TSG).

The Trust is mindful of the financially challenging environment and the need to maintain pace and focus in the identification of initiatives and subsequent delivery. The Service Transformation team continues to work closely with the Divisions to secure plans for 17/18 and provide support in the subsequent delivery.

Statement of Financial Position for the period ending 31st March 2017

Total taxpayers' equity equals £110.6m. The main variances against plan are explained below.

a) Non-current assets

Although capex was in-line with plan, capital assets are below plan by (£12.3m) at year end. This variance is detailed in the table below.

Capital variances	£m
16/17 brought forward balances above plan (revaluation)	4.2
Depreciation below plan	1.7
Revaluation of built estate, not included in plan	-18.0
Derecognition correction for a finance lease (within disposals)	-0.1
Other disposals exceeding plan	-0.1
Total variance of capital assets to plan	**-12.3**

b) Current assets

Current assets are below plan by £1.6m, current trade and other receivables exceed plan by £1.2m and, inventories are slightly below plan by (£0.3m). The remaining variance is due to cash balances being below plan by £2.5m, the composition of the cash position is detailed in the table below.

Cashflow variances	£m
16/17 brought forward cash balance exceeded plan	1.2
EBITDA below plan	-13.1
Working capital movements	-2.7
Capital expenditure (cash basis) below plan	2.4
Working capital facility extension	9.3
Other minor movements	0.4
Total variance of cash to plan	**-2.5**

c) Current liabilities

Current liabilities are below plan by £7.4m, reflecting the reclassification of borrowings to non-current liabilities.

d) Non-current liabilities

Non-current liabilities exceed plan by £16.2m. Deferred income is below plan by £1.4m, due to technical adjustments to an IFRIC 12 asset which affected 2016/17 brought forward balances, and borrowings exceed plan by £17.4m due to the reclassification and extension of the Trust's existing working capital facility.

Use of Resource (UoR) Rating

The Trust achieved an overall UoR Rating of 3, against the recalculated plan rating of 2, reflecting the challenges within the financial position.

Detailed below is performance against each of the criteria.

	Planned Rating	Actual Rating
Liquidity	4	4
Capital service capacity	2	4
I&E margin	2	4
Distance from financial plan	2	4
Agency spend	1	1
Overall UoR Rating	**2**	**3**

Control Total and Sustainability and Transformation Fund (STF)

The Trust did not achieve its planned control total position for quarter 4. This was originally forecasted and reported to NHSI at a joint regulatory meeting in September and consequently in the month 9 submission and as part of the revised forecast protocol. This reflects the continued pressures mentioned above in conjunction with the £5m Health Economy challenge included within the Trusts plan.

Conclusion

The Trust delivered the revised forecast deficit of c£10.4m, as notified to NHSI in September 2016. This position predominantly reflects the £5m Health Economy challenge not being concluded and operational cost pressures within the Trust due to the level of escalation which have arisen as a result to reductions in the wider Health Economy.

Going forward there continues to be significant risks within the health and social care economy that will impact the Trust. These risks are being managed through the A&E Delivery Board were it is anticipated that the system will take ownership for the overall pressures that are being incurred internally and externally to the Trust.

The Trust will continue to submit 13 week cash flows in line with NHSI processes to support further draw down on the working capital facility.

The Trust is working closely with all partners across the health economy to support the delivery of a sustainable health service within the Cheshire and Wirral LDSP.

David Jago
Director of Finance
April 2017

BOARD OF DIRECTORS	
Agenda Item	6.3
Title of Report	Operational Plan 2017/18-18/19: Update
Date of Meeting	26th April 2017
Authors	Gary Price, Associate Director of Strategy
Accountable Executive	David Jago Director of Finance
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	Strategic objectives: all Key measure: n/a Principal risk: n/a
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	To **approve** the revised narrative submitted to NHS Improvement supporting the finance, activity and workforce templates.
Data Quality Rating	Bronze – qualitative data
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	No

1. Executive Summary

This report presents the latest version of 2017/18-2018/19 operational plan narrative to be submitted to NHS Improvement at the end of April 2017. The narrative supports the finance, activity and workforce templates. This takes into account the revised financial control totals for 2017/18.

2. Background

The first draft of the Operational plan narrative 2017/18-2018/19 was submitted to NHSI on the 24th November 2016 and a subsequent submission on 23rd December 2016 in line with national timescales and expectations

Following the revised financial control total agreement for 2017/18 the narrative has been updated to reflect this change.

Following board approval the narrative will be resubmitted to NHS Improvement at the end of April 2017.

3. Recommendation

The Board is asked to approve the narrative to be submitted to NHS Improvement.

Operational Plan 2017/18-2018/19
Locally Focussed, Regionally Significant

Contents

1. Activity Planning

The Trust recognises that a fundamental requirement of the 2017/18- 2018/19 planning round is for providers and commissioners to have realistic and aligned activity plans. Our approach this planning round has sought to support this.

Elective Planning

For elective activity planning the Trust has adopted the use of the NHS Interim Management and Support (IMAS) capacity and demand tool. The use of this model has been jointly agreed with our main commissioner (NHS Wirral CCG).

The approach using the IMAS tool has been:

- An initial internal validation of the IMAS tool by comparing outputs from the tool to previous annual activity outputs to ensure no major or significant discrepancies
- Using the IMAS tool to model elective capacity at individual specialty level (reflecting Consultant job planning level) with clinical and managerial engagement
- Using the IMAS tool to ensure capacity is modelled at each point of delivery, e.g. first outpatient attendance, follow up outpatient attendance, outpatient procedure and elective spell (inpatient or day case)
- Clinical and Managerial specialty "sign off" of outputs of the model
- Divisional "check and challenge" of IMAS outputs with Finance and the Service Transformation Team
- Executive "check and challenge" of IMAS outputs

Following this approach the capacity outputs have provided the Trust with realistic data in order to inform the contracting round, specifically considering additional capacity that may be required in specialty areas to support any activity backlog to deliver 18 week Referral To Treatment (RTT) compliance.

The work done on IMAS will allow more accurate planning with commissioners in order to consider any future growth, changes in referrals due to commissioning intentions (e.g. procedures of limited clinical priority) and compliance with national elective standards (18 weeks RTT and Cancer targets). This approach will allow an understanding for contracting with commissioners to deliver agreed levels of activity in line with constitutional standards.

Non Elective Planning

The Trust is adopting several approaches as part of the wider health and social care economy to ensure greater success as part of non-elective planning.

Internally as part of a wider patient flow work stream a specific bed modelling programme is being undertaken to review bed capacity related to non-elective demand. This work is being supported by the Trusts Service Transformation Team and takes into account recommendations made from the Emergency Care Intensive Support Team (ECIST) and the SAFER flow bundle.

Externally the Trust is working in partnership with NHS Wirral CCG and the wider health and social care economy in order to understand non elective demand and capacity on a whole system footprint (in line with the LDSP) via:

- Urgent Care and Elder Care Value Stream Analysis
- Health economy review of admission avoidance and discharge
- The Trust hosting the Chairman's role of the system wide A&E Delivery Board in line with NHSI and NHSE requirements

Surge planning

The Trust is working with health and social care partners to align community and acute bed provision to ensure only those patients who require acute medical care remain within acute inpatient beds. As part of this work the economy will also ensure robust practice to manage any surge experienced with non-elective demand. This is in addition to our already established internal escalation plans and statutory resilience plans.

Developing our planning capabilities further

Moving forward through 2017/18-2018/19 the Trust, as a Center for Global Digital Excellence will be seeking to develop ways of assessing and managing capacity and demand in real and predictive time in order to support elective and non-elective planning for the whole health and social care economy and be looking to share this learning system wide.

Key Operational Risks

The key operational risks to the delivery of the operational plan 2017/18 – 2018/19 are summarized below. These would pose a risk to delivery of NHS Constitutional standards for urgent care and referral to treatment targets:

- Unplanned growth in demand (elective and non-elective). The Trust is reliant on partners implementation of demand management schemes, e.g. reducing non elective attendances and admissions in line with Right Care and Emergency Care Pathway, the failure of implementation of procedures of limited clinical value at commissioner level will impact on planned activity levels
- Managing the loss of intermediate care capacity and any further unplanned reductions
- Market vulnerability of independent sector of domiciliary care, care homes and detox provision
- Unplanned events, e.g. Junior Doctor Industrial action, Flu, Major incidents, Infection Prevention and Control issues
- Challenges with lack of system wide implementation of Better Care Fund which impacts on out of hospital care and reablement.
- Consultant workforce challenges in specific specialities and gaps in Junior Doctor rotas across Medicine as a whole.
- Bandwidth and leadership to manage internal and external system wide transformation.

The Trust hosts the Chair role of the A&E Delivery Board and as such will have opportunity to proactively manage key operational risks. Furthermore the Trust is working with health and social care partners towards the creation of an Accountable Care Organisation in order to increase operational accountability and whole system strategic planning.

2. Quality planning

Approach to quality improvement

The Lead Executive for Quality Improvement is the Director of Nursing & Midwifery.

The organisation uses a number of quality improvement methodologies. The most commonly used is LEAN based reengineering and PDSA cycles. The Trust works with other organisations and joins collaborative initiatives such as Sign up to Safety and Advancing Quality in order to learn lessons and support rapid diffusion of evidence based practice. The Trust subscribes to the Advancing Quality Alliance (AQuA) which supports our quality improvement work from ward to Board. During 2017/18, we will continue to work with AQuA to develop a training programme for quality improvement to develop staff across the organisation and engage them in local quality improvement work. The Trust

has a programme of work to develop our IT system (Cerner Millennium) that includes decision support and clinical pathways that will support safer, high quality care.

Quality Improvement work is aligned to the specialty and divisional priorities that in turn are related to the Trust priorities as defined in the Quality Improvement Strategy, incorporating the Quality Account priorities. Projects are agreed through the relevant divisional or corporate group and are performance managed at this level. Concerns about quality improvement work are escalated to the Clinical Governance Group who in turn provide assurance to the Quality & Safety Committee. The Quality & Safety Committee reports on levels of assurance about the Quality Improvement work to the Board. In line with recommendations from the Well Led Governance Review the Trust has enacted a revision to its governance structures to ensure that a greater degree of review and monitoring is undertaken at executive working group level. The assurance committees thereafter determine whether the assurance provided by the executive working group is sufficient to mitigate any potential risks or aid the Trust to achieve its strategic objectives.

In support of the STP and LDSP and in line with developments across the wider NHS in England the Trust will accelerate its work on minimising clinical variation. This will be done by embedding the national Advancing Quality Conditions into our Cerner Millennium Information System in order that the Trust obtains top quartile length of stay in these conditions. This will be enabled in part due to the Trust being named as a Centre for Global Digital Excellence

The Trust will seek to obtain a 'Good' CQC rating when re-inspected in 2017 and a rating of 'Outstanding' in 2019. The Trust has a comprehensive work programme in place in order to achieve this with a focus on:

- Implementing our Quality Strategy and complying with the recommendations of our 2015 inspection
- Continuing our Care Quality Inspections and the Ward Accreditation Programme
- Developing a programme for the minimisation of clinical variation in collaboration with other hospitals in Cheshire
- Creating a Quality Governance Team supporting Divisional clinical governance arrangements

The Trust quality objectives in support of the Trust vision are agreed in collaboration with Governors and the Board of Directors. Each Executive Director thereafter takes responsibility for these objectives.

The Trust has a robust appraisal system whereby all staff are appraised against core values and behaviours, contribution towards organizational objectives and are required to demonstrate that they have undertaken appropriate mandatory training and continuous professional development. Appraisal rates are reported formally to the Trust Board

The Quality Account outcomes linked to the Quality Strategy are reported using the below milestones and performance indicators

Implement the SAFER bundle to improve patient flow and ensure safe discharge • The Trust will aim for 25% of all medical discharges from base wards to be before noon • The Trust will aim to improve compliance within specialty care ('right patient right bed') so that no more than 10% of patients are admitted to the 'wrong' bed.
Ensure patients are supported with eating and drinking based on their individual needs • 85% of patients will report receiving appropriate assistance with eating, and 90% with drinking • Where appropriate, patients' nutritional and fluid input will be recorded within their electronic record of care
Reduce harm to patients, in particular from newly formed pressure ulcers • Zero tolerance of avoidable hospital-acquired pressure ulcers at grades 3 and 4 The Trust will will aim for a 50% reduction in avoidable hospital-acquired grade 2 pressure ulcers,
Reduce the frequency of missed medication events • The Trust will aim for no more than 3% of critical medication doses to be missed, and; • an appropriate care score of 70%
Improving End of Life Care • The re-launch of the Palliative and End of Life Care Strategy to ensure Trust-wide awareness of referral criteria and processes (including how to access services out of hours) • The Trust will add 'Care in the Last Days of Life' to corporate induction for all new staff, to 75% of existing nurses and clinical support workers in the Acute and Medical Division, and to 75% of doctors in training Trust-wide • The Trust will roll out the 'Record of Care for Patients in the Last Days of Life'

The Trust will increase the staffing resource allocated to Specialist Palliative Care
Reduce emergency readmissions within 30 days The Trust will aim to achieve a 1% reduction on overall readmissions, with no more than 10% readmissions being potentially avoidable

A summary of the quality improvement plan including compliance with national quality priorities

The below table contains relevant references to our Quality Improvement Plan in order to highlight the approach to key developments for 2017/18 -2018/19

National Clinical Audits	National audits are prioritised in the Trust to ensure the Trust has robust benchmarking data. All audit reports are reviewed in their clinical area and an action plan developed based on the findings. These are presented within the divisions and approved through the governance structure. Action plans are monitored through the divisional teams and reported in the annual audit report. In the coming year the Trust will continue to monitor completion of audits on a quarterly basis; highlighting and acting on any delays. The Audit Committee reviews the clinical audit programme and the methodology as part of its review of internal control.
Safe staffing care hours per patient day	The Trust has a robust process for recording and reporting safe staffing per patient day. From 2017 the Trust will benchmark CHPPD with national data held on the Safer Hospitals Portal
Actions from better births review	The Trust will work collaboratively with alternative providers in order to improve the quality of care that women have said that they want by the sharing of best practice in order to improve outcomes. In addition the Trust will also implement the recommendations of NHS E “Including Safer Maternity Care” which incorporates a Board member sponsoring these recommendations.
Compliance with the 4 priorities of the 7 day standards for hospital services.	The Trust is currently delivering standards 5 and 6. Exploratory indicators and a local dashboard has shown no difference in length of stay, readmissions or risk adjusted death rates based on day of admission or discharge. The Trust is currently establishing the additional resource requirements to deliver standards 2 and 8.
Improving the quality of mortality review and Serious Incident Investigation and subsequent learning into action.	The HSMR for the Trust remains significantly below that expected for the population the Trust serves. The mortality review process has been in place for four years and is currently being reviewed to ensure it is robust. Lessons are learnt through meetings, newsletters and also through changes to policy and guidelines. The new Executive led Serious Incident Review Group oversees the approval of root cause analysis reports and provides assurance to the Trust Board regarding the quality of reports submitted and robustness of actions to prevent recurrence. Learning is shared via weekly news bulletins as well as via divisional and corporate governance meetings. Root cause analysis training is now available for Trust staff to access; this has been very successful and the quality of investigations has improved
Anti-microbial resistance	The Trust will be developing further the antimicrobial stewardship in the Trust through 2017/18 with a dedicated named consultant leading this work.
Infection Prevention and Control	Maintaining the programme of work to ensure compliance with the health and social care act is a priority. The Trust has a CPE strategy involving triple cohorting. Our C-Diff strategy includes a full ward decontamination programme involving HPV. Our MRSA strategy will continue including daily review of all MRSA patients to prevent clinical investigation. Effective use of the isolation unit is regularly assessed
Falls	The Trust has seen a reduction on falls through Ward education using our dementia matron and clear assessment on admission. The Trust continues to develop new methods of assessment e.g. sensory pads
Sepsis	The Trusts Appropriate Care Score for sepsis is the second best in the region. For 2017 and beyond the 4 areas of focus are: Senior

	review of most seriously ill septic patients, IV fluid administration for septic patients, Consistency in care for septic referrals from Primary Care and sepsis screening on ambulance transfer.
Pressure Ulcers	The Trust continues to see a year on year reduction with a zero tolerance of avoidable hospital-acquired pressure ulcers at grades 3 and 4. The Trust will aim for a 50% reduction in avoidable hospital-acquired grade 2 pressure ulcers Pressure Ulcers are Part of the sign up to safety programme
End of Life Care	The Trust has re-launched a palliative and end of life strategy and plan. This includes a record of care for patients who are in the last stages of life. The Trust has increased the capacity of the service by appointing additional consultants, 2 end of life of life educators and administrative support. We have started a project with the ECIST and NCPC where we will test the impact of more presence within acute care .The record of care will be revised through clinical audit which demonstrates substantial improvements in documented care and reduction in unnecessary interventions. The Trust intends focussed work on training, the MDT process and advanced care planning over the coming year in line with our plan to ensure a high quality, evidence based service. The Trust is also part of NHSI system change through transformational leadership programme focusing on EOL.
Patient experience	In support of the Trust aim for the best levels of patient satisfaction the Trust will continue to achieve a Friends & Family Test recommendation score above 95% and a non-recommendation score of below 2%. To achieve this the Trust will Introduce new mechanisms for obtaining feedback in areas with of high volumes of patient contacts (e.g. A&E and Outpatients) and implement formal performance management arrangements for inpatient areas identified as requiring improvement. The Trust will deliver a year on year reduction in the number of complaints and a year on year improvement in response times by applying Value Stream Mapping to the complaints process. The Trust will introduce Matron Clinics to drive local ownership of the resolution of complaints. The Trust is opening a new communications hub providing patients, members of the general public and staff with support in the management of concerns and complaints.
National CQUINS	The Trust provides quarterly progress reports to the CCG via the joint Quality and Contract monitoring meeting. This forum allows both CCG and the Trust to propose to NHSE any local quality variations which would suit the local patient population.

As part of a refresh of our quality strategy through 2017/18 the Trust will factor in the direction of travel from the Cheshire and Mersey STP and the local LDSP.

A summary of quality impact assessment process

Both Cost Improvement Plans (CIP) and Service Improvement Plans are developed with clinical teams at speciality, divisional and corporate levels. Programme and plans are reviewed and signed off at Transformation Steering Group with Executive representation. Individual projects are subjected to Quality Impact Assessment (QIA) using a standard form incorporating national guidance. Building on work from 2016/17 the QIA process for 2017/18 and beyond will incorporate the wider five CQC domains (safe, effective, responsive, caring and well led), allowing insight into staff impact.

Completed forms are scrutinised, challenged as appropriate and approved by the Medical Director and the Director of Nursing & Midwifery. If a project requires an Equality Impact Assessment, this is supported by the Divisional Associate Directors of Nursing. The Trust's Service Transformation Team (STT) is responsible for warehousing QIAs. The overall process is overseen by the Clinical Governance Group which reports to the Quality & Safety Committee (QSC) of the Board. QSC's work programme is designed to receive assurance on patient safety, clinical outcomes, patient experience and workforce indicators.

In addition for 2017-19 an agreement has been reached with NHS Wirral CCG Clinical Senate representing the whole health economy whereby individual organizations share proposed efficiency plans to allow for impact analysis across the whole health economy.

A summary of triangulation of quality with workforce and finance

There are a number of dashboards in place to monitor process and outcome. These cover patient experience, clinical effectiveness, safety, staffing and finance. For example, the quality dashboard has three high level indicators that are underpinned with information from relevant drivers; mortality is monitored (weekday and weekend) underpinned by delivery of care bundles in specific groups such as patients with sepsis.

In addition, there is a quarterly CLIPPE report to Clinical Governance Group (CGG) that links data from complaints, litigations, clinical incidents, PALs and Patient Experience to identify quality concerns. QSC reviews the work of the CGG and is able to provide assurance on quality issues. These dashboards are reviewed as key priorities change. The Trust also has introduced a care quality inspection process which includes Executive and Non-Executive Directors as part of the core team to support the process.

Specifically for workforce building on existing work from 2016/17 the Trust Board will receive monthly information relating to safe staffing and care hours per patient day for all inpatient areas. On a six monthly basis a robust analysis of funded establishment, patient acuity and dependency and nurse sensitive indicators is produced to ensure that funded establishments enable delivery of high quality safe care.

The key indicators uses in this process are:

- Professional Judgement model
- Shelford Group Safer staffing tool
- Use of nurse sensitive indicators such as pressure ulcers, falls and medication errors.

The Trust Board will use this information to inform decisions relating to future workforce models, skill mix and funded establishment.

3. Workforce

The Trust has a comprehensive Workforce & Organisational Development Strategy which outlines how the Trust delivers will deliver;

- A Healthy Organisational Culture
- A Sustainable and Capable Workforce
- Effective Leadership and Management of our people.

The strategy will also incorporate a rigorous internal cost improvement program (CIP) to ensure workforce assets are appropriate and effective. Many of these CIP schemes will impact workforce and whilst much of this is still in development and therefore currently classed as ‘risky’ in terms of delivery the Trust has an excellent track record of quickly moving workforce schemes to completion and delivering all the expected savings. Any viable workforce CIP scheme is set tight timescales and therefore few are planned more than a year ahead as savings if possible are needed sooner.

This strategy will deliver a workforce whose capacity, culture and capability will meet future demands which Trust leaders will anticipate and then carefully manage organisational change to meet.

Capacity

The Trust will continue to ensure that we have the right numbers of staff in the right place with the right skills at the right time. Trust leaders will maintain a strategic forward view, anticipating and managing required organisational change. In the period 2017–19 workforce numbers and structures at WUTH will be impacted by increased cross working with the Countess of Chester Hospital (COCH) and closer co-operation with primary and social care in a move towards an Accountable Care Organisation. The Sustainability and Transformation Plans (STP’s), revisions in response to the Carter report, greater use of electronic systems and tight management of sickness absence will reduce non-core staffing. As a global digital exemplar site recognised as a world leader in paperless healthcare the Trust anticipates further IT developments to increase the effectiveness of its workforce. The impact of these changes on staffing levels will inevitably be lessened by increased demand, increased acuity and a drive for improved quality (e.g. ensuring safe staffing levels through management of KPIs such as Care Hours per Patient Day, meeting waiting time targets etc.).

The Trust will continue to maximise the contribution of our existing workforce. The Trust currently achieves amongst the lowest levels of sickness absence in the region. Reduction in sickness has meant that we can place 14,000 extra staff days in the care of our patients. The Trust ensures a very high number of our staff receives the Flu Vaccination so far this year 78% vaccinated. The Trust has a very low vacancy rate for our nursing staff (2.50%) and our medical workforce (3.40%) and the Trust will ensure this continues. The Trust is committed to nurturing new talent and plans to expand the numbers participating in its already successful apprenticeship program (in line with national guidance). Further progress will be made in our multidisciplinary workforce planning including a particular focus on the integration of new roles (the Trust was recently confirmed as a Pilot site for the Nurse Associates programme). New roles, job planning and skills development particularly in key groups such as our Advanced Nurse Practitioners will enable quality acute services to be delivered 24/7.

Key to the delivery of workforce cost savings and to maintaining high quality services will be a reduction in reliance on and cost of non-core staffing. Progress has been made in ensuring that the skill mix of substantive staff is optimised to reduce the need for agency and bank staffing. The further development of eRoster, currently underway, will also support this. The regional agency performance report from NHSI shows the Trust as having a ranking of 29 out of 73 for agency spend verses ceiling and 27 out of 73 for agency spend as a percentage of total staff cost (with rank 1 being the lowest spend and cost respectively). So whilst the Trust is showing better than average across the north region there remains progress that can be made in this key area. The Trust is confident that further progress will be made based on year-to-date performance and forecast outturn. The Trust has seen a significant drop in the run rate on agency spend in the last two months. All of this will allow the Trust to broadly maintain its level of clinical workforce while seeing a marked fall in pay expenditure.

Culture

Over the last year the Trust has made significant improvements in staff satisfaction and staff engagement levels. Notably being the most improved Trust in the country for Staff Satisfaction. Building on the successes achieved by our ‘Listening into Action’ programme we are committed to further embedding this methodology into all elements of our planning. Work will continue to ensure that our PROUD values are reflected in all our strategies, business plans and day to day operational delivery. The Trust has led the way in introducing freedom to speak up guardians and will continue to develop a culture of openness, honesty and candour.

Our PROUD values are at the heart of everything we do, in the care we provide for our patients and their families. Our PROUD values will govern staff behaviors and the way staff interact with our communities and each other: **P**atients, **R**espect, **O**wnership, **U**nity, **and Dedication**

Capability

As a Teaching hospital clinical excellence is vital to us and will be an ongoing priority. The Trust will provide focussed and effective training and development programs including continued high levels of compliance with mandatory training (currently over 92% with an internal target of 95%) and appraisal (currently over 86% with an internal target of 88%).

The Trust will will have a refreshed focus on developing the leadership and managerial skills to operate in a modern healthcare organisation, with a particular focus on our clinicians, clinical engagement and those in a middle-management position. The Trust will encourage setting of high standards and will support managers in the application of the performance capability and pay progression policies where appropriate if those standards are not met.

To facilitate change and to ensure minimal adverse impact all Trust change plans are approved at the appropriate level, with small scale plans agreed by divisional management teams which include senior medical and nursing managers. Plans assessed as having a wider impact or with significant risk are approved by the Trust Senior Management Team. The Trust works collaboratively with its staff and their representatives and is committed to engaging staff over change in line with its comprehensive managing organisational change policy. The Trust maintains a healthy turnover rate and would anticipate that the required restructure of staffing can be achieved utilising relocation, retraining and natural wastage.

There is no doubting the challenge and ‘stretch’ that achieving a redesigned workforce will present, but the Trust is committing to meeting this challenge and has the skills, strategies, plans, effective industrial relations, governance and infrastructure to achieve this.

4. Finance

The Trust's financial plan has been developed in line with the annual planning timetable set out by NHS Improvement. The initial draft plan was discussed by the Board of Directors at its extraordinary meeting on the 23rd November 2016 with the final financial plan agreed for submission at the 16th December 2016 meeting. Following further discussions with NHSi in the last quarter of the financial year the Trust was given a revised Control Total offer of a £0.4m deficit for 2017/18. The revised offer was discussed during the March Board and was subsequently agreed with certain caveats that are articulated later within this section, the agreement of the control total will enable the Trust to continue to work towards a financially sustainable organisation. The overarching financial strategy principles agreed by the Board of Directors is to create a long-term financially stable organisation with the:

- Ability to invest in patient care and facilities, delivering maximum value from the deployment of the Trust's estate with a longer term estates strategy based on a more joined up approach to care on the Wirral and between hospitals.
- Capacity to secure internally a transition from delivering transactional efficiencies to a focus on delivering sustainable service transformation through our newly established Service Transformation Team supported by enhanced governance structures and processes.
- Ability to survive structural changes in the financial flows in the NHS and wider health and social care economy.
- Capacity to cope with short term financial shocks.
- Deployment of the Wirral Millennium platform and Global Digital exemplar status to transform the delivery of care to patients on the Wirral. Patients will benefit from evidence based electronic care pathways. These pathways will be continuous across all health and social care settings.

In the short term;

- Maintain a Use of Resources rating of level 3
- Balanced approach to delivering on the money, safety and quality in 2017/18-2018/19
- A requirement for cash support going into 2017/18 and 2018/19

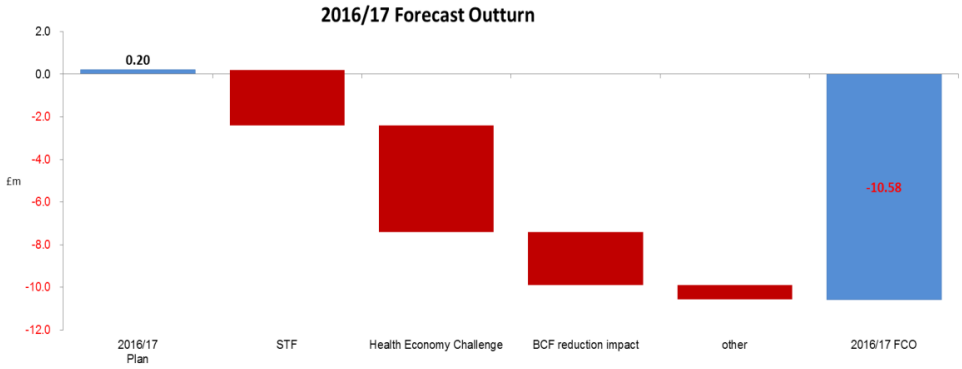
The Trust whilst cognisant of the historical financial challenges it has faced (and recognises the continuing challenge in the short term) is of the belief that opportunities exist to significantly reshape and transform the provision of health and social care on the Wirral through an Accountable Care Organisation model .

The plan has been constructed on the basis of;

- The application of Payment by Results (PbR) and HRG4+ tariff with a revised circa £3.0m net upside in 2017/18.
- Financial planning and activity assumptions currently in the process of negotiation with commissioning colleagues. Broad principles around utilisation of month's 7-12 2015/16 activity and months 1-6 2016/17 have been incorporated. The Trust has been able to secure contractual sign off with its main commissioner Wirral CCG to the value of c£236m on a full PbR contract basis. The Trust is finalising a Memorandum of Understanding (MoU) with Wirral CCG that will set out the commitments and undertakings agreed between the CCG and the Trust to transform and re-design services in accordance with the direction agreed by the Healthy Wirral Partnership, Sustainability Transformation Plan (STP) and the Local Delivery System Plan (LDSP).
- Detailed internal activity modelling and planning that will culminate in the production of internal divisional financial, service and performance contracts.

2016/17 Financial Plan Performance

The Trust is currently forecasting to finish the 2016/17 financial year with a normalised deficit of c£10.5m. This is worse than the planned control total of £0.2m surplus(inclusive of £5.0m stretch).The key drivers behind the Trusts normalised forecast outturn deficit of circa £10.m is set out overleaf in a bridge chart format;



As set out in our presentation to NHSE and NHSI colleagues on the 22nd September the key assumptions of the forecast outturn deficit at circa £10.0m are;

- Non delivery of system wide "stretch" efficiency challenge of £5.0m
- From the above consequent loss of quarter 4 Sustainability and Transformation Funding of £2.48m
- Above plan expenditure incurred as a consequence of the need to open up and maintain escalation facilities throughout the year to ensure our patients are managed in a safe environment c £2.5m.

As can be seen the failure to deliver the financial plan is not as a consequence of loss of "financial grip", the Trust has embedded robust governance processes and structures ensuring a focussed approach on controlling the cost base and managing delivery of financial and non-financial key performance indicators during the course of 2016/17.

The underlying deficit position as reflected in final submission is circa £21.5m reflective of the above forecast outturn for 2016/17, removing anticipated STF earned in 2016/17 of some £6.8m, adding back in 2016/17 impairment to I&E of £1.47m and finally adjusting for non-recurrent gains in 2016/17 of circa £3.0m. The underlying position has been a key component in underpinning the Financial Plan for 2017/18 rolling into 2018/19.

Financial Forecasts and Modelling

The Board of Directors at WUTH recognise that access to the Sustainability and Transformation Fund(STF) in 2017/18 provides the ability to build upon the progress the Trust has achieved in 2016/17.The objective of accelerating the financial recovery of Trusts that are in deficit, and consolidation of the maintenance (or progress towards)of NHS Constitution service standards was a key point of debate for the Board of Directors at its October meeting when deliberating the feasibility of achieving the initial control total set whilst delivering a challenging 2017/18 efficiency programme aligned to ensuring the provision of safe and effective services.

The initial Control Total offer that was rejected by the Board in the December submission included the recurrent delivery of the Health Economy challenge that had been planned in 2016/17. As a result of this and other pressures within the Wirral Health and Social care economy the Board rejected the Control Total for 2017/18 and 2018/19. As a result of positive engagement with NHSI colleagues the Trust has negotiated a revised control totals for 2017/18 and 2018/19.

The 2017/18 revised Control Total of £0.4m deficit still represents a significant financial challenge to the Trust that was discussed during the March Board meeting. The Trust Board subsequently agreed to the revised control total for 2017/18 but rejected the 2018/19 offer. The Trust Board agreed to the 2017/18 control total on the following assumptions:

- NHSI and NHSE would continue to work within the Wirral Health & Social care economy to enable proactive and pragmatic approach in assisting the Health Economy to a more sustainable financial position.
- Developments within the Social care funding arena did in fact go towards positively enabling the Trust to dramatically reduce the number of medically optimised patients within the Trust (currently on average circa 100) which in turn would assist with Patient flow and both protect the Trust from historically experienced adverse impact of the Elective programme and secure improved delivery against the A&E 4 hour wait target.
- Developments within the proposed A&E streaming model would not adversely affect the Trust in delivering a sustainable A&E service as a result of lost income.

Key Inflationary assumptions

As can be seen from the table below the Trust has catered for in its financial plan for 2017/18 -2018/19 the impact assessment of inflation broadly set at national guidance levels with the exception of the impact of CNST costs upon its cost base where the actual increase to its premium above 2016/17 prices has been accounted for and revenue cost of capital.

Inflation Impact 2017/18

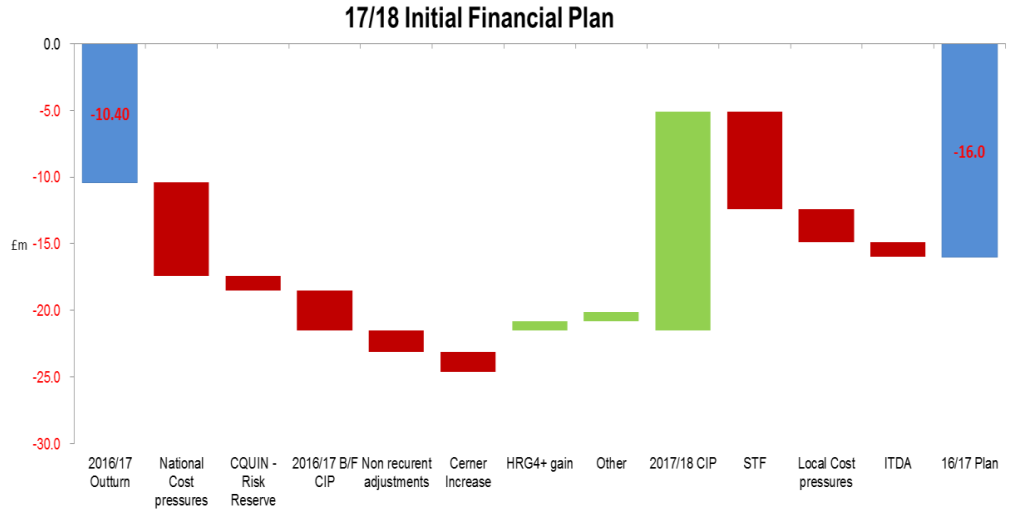
Pay and Prices	National %	Trust %	Value £'000
Pay (inc impact of incremental drift)	1.7	1.6	(3,640)
Apprenticeship Levy (inc immigration skills charge)	0.5	0.5	(1,126)
Drugs	2.8	2.8	(725)
Non pay, non drugs inflation	1.8	1.8	(1,273)
CNST	N/A	10.0	(1,378)
Revenue cost of capital	3.0	9.2	(1,100)
CQUIN Risk	N/A	0.5	(1,100)
Additional costs/Quality Investments	N/A	N/A	(1,000)

Inflation Impact 2018/19

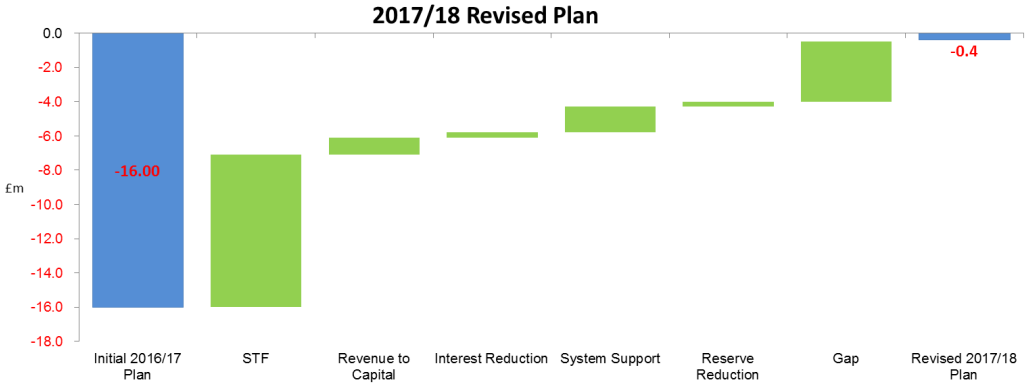
Pay and Prices	National %	Trust %	Value £'000
Pay(inc impact of incremental drift)	2.0	2.0	(4,654)
Drugs	2.1	2.1	(818)
Non pay, non drugs inflation	2.1	2.1	(1,515)
CNST	N/A	10.0	(1,100)
Revenue cost of capital	2.9	4.6	(600)
CQUIN Risk	N/A	0.0	0
Additional costs/Quality Investments	N/A	N/A	0

The Trust's overarching financial strategy is to maintain a minimum level 3 Use of Resources rating throughout the two year planning period under the current Single Oversight Framework. To deliver upon this objective, the Board of Directors at WUTH recognises the need to robustly plan and secure delivery of increasingly challenging efficiency requirements moving from an historical transactional delivery to one which delivers truly transformational programmes of efficiency both within the acute hospital setting but increasingly aligned to the Cheshire & Wirral LDSP outside this setting.

The movement from the 2016/17 outturn position to the operational plan for 2017/18 prior to the change in Control Total is demonstrated in the bridge graph below.



As a result of the change in Control Total the Board discussed and agreed the following movement from the initial plan that is demonstrated in the bridge graph below.



Agency Rules: WUTH will continue with the range of measures introduced in 2016/17 that will see successful delivery of the agency cap to ensure on going compliance with the £8.1m cap from April 2017 with this level being catered for in the final financial plan submission. The Trust will continue to build upon its robust approach to workforce planning to minimise the use of agency staffing in 2017/18 reflecting on its forecast outturn for 2016/17 of circa £6.8m.

Procurement: The Trust is actively engaged across an LDSP footprint on procurement with this forming an element of business as usual efficiencies transitioning into more transformational schemes over the life of this plan. The Trust actively reviews the opportunities available to it from the Purchasing Price Index Benchmarking (PPIB) tool. Whilst the PPIB is limited to products the Trust is currently drawing up an action plan to support delivery of opportunities identified based on median pricing variance and level of confidence of high/medium. On this basis and for the first seven months of 16/17 opportunities totalling £257k have been identified and will form part of 17/18 work programme.

Transformation Agenda & Cost Improvement Programme

Current modelling assumes that the Trust will deliver a £15.0m cost improvement plan i.e. c4.6% of turnover and 2.6% higher than the planning guidance target of 2% in 2017/18 with a risk reserve set aside of £1.5m, and in 2018/19 some £15.0m i.e. c4.6% of turnover (2.6% above planning guidance) with a risk reserve catered for within the financial plan at £1.5m.

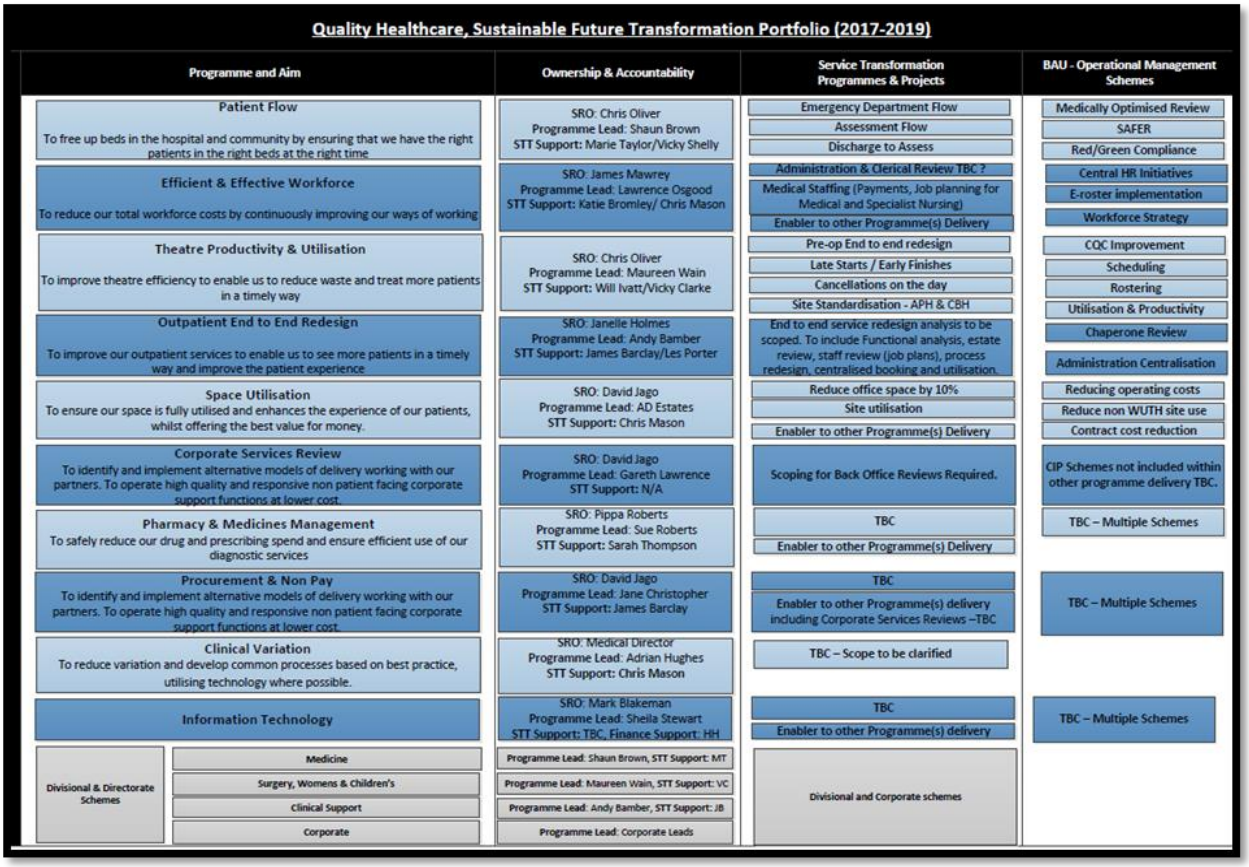
Against the 2017/18 efficiency target of £15.0m planning work undertaken by the Trust's Service Transformation Team have identified work streams to support the delivery of £9.2m of the overall requirement with some £5.8m as yet unidentified. The portfolio governance arrangements recently embedded into the Trust has been used to narrow this unidentified gap between draft and final plan submission and close upon entering the new financial year and these alongside progress to date and mapping to Lord Carters provider operational productivity work programme are set out below;

In line with the strategic objectives and operational priorities our Transformation Portfolio entitled "Quality Health Care Sustainable Future" has been developed.

It is intended that this will act as a mechanism to support the delivery of the cost improvement requirement, and the improvement cycle transcends a 2-3 year cycle to enable effective planning to support activity/delivery to commence prior to the requirement of benefits realisation in recognition that transformational schemes take longer in practice to come to fruition.

Programmes	Indicative Target (17/18)	Alignment to Carter efficiency programmes
Revenue Generation	£1m	N/A
Patient Flow & Bed Reconfiguration	£2.5m	Urgent & Emergency Care/ Carter Patient Pathway
Theatres	£0.9m	Carter Patient Pathway
Outpatient Redesign	£0.7m	Carter Patient Pathway
Efficient & Effective Workforce	£1.7m	Carter Corporate & Admin/ Carter Workforce (Other)/ Carter Workforce (Nursing) / Carter Workforce (Medical)/ Carter Workforce (AHP)
(STP /LDSP) Back & Middle Office Review	£1.3m	Carter Corporate & Admin/ Carter Estates & Facilities/ Carter Pathology & Imaging/ Carter Workforce (Other)
Space Utilisation	£0.5m	Carter Estates & Facilities
Pharmacy & Medicines Management	£0.7m	Carter Hospital Medicine & Pharmacy
Procurement	£2.4m	Carter Procurement
Clinical Variation	£0.8m	Carter Pathology & Imaging
Divisional & Departmental Schemes	£1.1m	Other Savings Plans/ Carter Pathology & Imaging
Other STP/LDSP	TBC	New Care Models / NHS RightCare / Specialised Services
16/17 Impact	£1.4m	Other Savings Plans
Global Digital Excellence	N/A Enabler	Enabler
Total	£15m	

An overview of the Transformation portfolio is demonstrated below;



The indicative requirement for cost improvement within the life of this plan is circa £30 million. As noted this is a challenge of circa £15 million per financial year which equates to a 4.6% efficiency reduction.

The table below demonstrates the indicative cost improvement targets by Division/Department:

	£m
Medicine & Acute	**4.2**
Surgery, Women & Children	**5.0**
Clinical Support Services	**2.4**
Corporate Services	**3.4**
Total	**15.0**

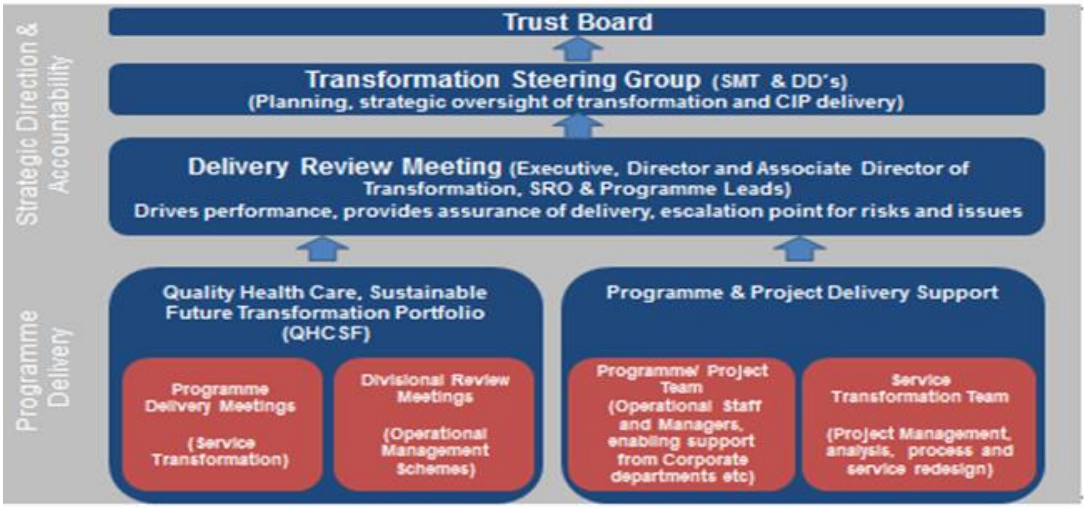
It is intended that the delivery of the cost reduction will be delivered by the following mechanisms:

- **Divisional & Departmental Schemes** (Mainly transactional, operational schemes that can be delivered as "business as usual" e.g. local management review)
- **Central & Enabling Schemes** (Cross-cutting schemes undertaken at a "whole trust" level that contribute to deliver of targets across all areas e.g. pharmacy and medicines management)
- **Transformation Programmes** (Specific strategic programmes of targeted improvement activity to improve productivity/efficiency and release cashable benefits e.g. patient flow)

In addition a significant proportion of the 2017-18 CIP will need to come from local delivery services plans and sustainable transformation plans (see section 5).

The diagram below demonstrates the governance arrangements for the Transformation agenda and Cost Improvement Programme:

Portfolio Governance Arrangements



The Transformation Steering Group (TSG) operates as a strategic group and is chaired by the Chief Operating Officer and reports into the Finance, Business, Performance and Assurance Committee (FBPAC). The group oversees all significant change and improvement projects within the Trust, and each programme has an Executive lead and the appropriate meeting structure to support delivery. The group have a holistic view at a portfolio level to ensure that all interdependences are highlighted; approved programmes/projects align with the Trust's vision, and deliver the specified benefits such as achieving value for money and whilst sustaining quality and safety.

In addition, it ensures that any new projects are assessed to the agreed methodology and makes recommendations as appropriate to the Senior Management Team (SMT) or Finance, Business, Performance and Assurance Committee (FBPAC).The table below demonstrates the indicative target per area along with the current view on deliverability and alignment to national best practice guidance including the Lord Carter programme.

Programmes	Fully Developed	Plan in progress	Opportunity	Unidentified	Indicative Target (17/18)	Alignment to Carter efficiency programmes
Revenue Generation			£1.0m		£1m	N/A
Patient Flow & Bed Reconfiguration		£0.7m	£0.5m	£1.3m	£2.5m	Urgent & Emergency Care/ Carter Patient Pathway
Theatres	£0.1m	£0.3m		£0.6m	£0.9m	Carter Patient Pathway
Outpatient Redesign			£0.7m		£0.7m	Carter Patient Pathway
Efficient & Effective Workforce	£0.3m	£0.05m	£0.8m	£0.6m	£1.7m	Carter Corporate & Admin/ Carter Workforce (Other)/ Carter Workforce (Nursing) / Carter Workforce (Medical)/ Carter Workforce (AHP)
(STP /LDSP) Back & Middle Office Review			£1.3m		£1.3m	Carter Corporate & Admin/ Carter Estates & Facilities/ Carter Pathology & Imaging/ Carter Workforce (Other)
Space Utilisation			£0.5m		£0.5m	Carter Estates & Facilities
Pharmacy & Medicines Management		£0.2m	£0.2m	£0.3m	£0.7m	Carter Hospital Medicine & Pharmacy
Procurement	£0.4m	£1.1m		£0.9m	£2.4m	Carter Procurement
Clinical Variation				£0.8m	£0.8m	Carter Pathology & Imaging
Divisional & Departmental Schemes	£0.9m		£0.2m	£1.3m	£2.5m	Other Savings Plans/ Carter Pathology & Imaging
Other STP/LDSP					TBC	New Care Models / NHS RightCare / Specialised Services
Global Digital Excellence					N/A Enabler	Enabler
Total	£1.7m	£2.3m	£5.2m	£5.8m	£15m	

As demonstrated there has been considerable work undertaken to develop the plans to meet the challenge, however it is of note that there is still £5.8m categorised as unidentified and work will continue to develop further schemes over the next 3 months. In addition work is underway in relation to the required analysis and feasibility studies to determine whether benefits are obtainable for schemes that are currently categorised as opportunity.

Capital Planning

The capital allocation for the two year financial plan is based purely on internally generated resources. Whilst the Trust has been successful in its Global Digital Exemplar bid as yet funding flows have not been confirmed. The Trust has a rigorous, fair and risk adjusted process in selecting agreed capital developments but recognises the challenges it faces in meeting all of its needs in respect of capital expenditure. The financial plan caters for capital expenditure of some £7.3m with the following key areas of planned expenditure;

- IT investment £1.0m
- Ward Refurbishment £0.8m
- CT Scanner £0.8m
- Ultrasound Machines £0.5m
- Backlog maintenance £1.2m

The above planned investments represent a risk based approach to capital investment within the Trust predicated on eliminating backlog risk and risk re medical equipment obsolescence to ensure delivery of safe and sustainable services within an appropriate environment. The Trust has gone out to market for a strategic estates partner (SEP) with a preferred bidder to be identified by March 2017.The SEP will help to bring to the Trust;

- Expertise and innovation to help develop the estate strategy in alignment with the clinical strategy and a plan for implementation
- Access to third party investment to deliver estate transformation including new facilities where required
- Additional resource to drive forward estate solutions and implement the estate strategy
- Commerciality in ensuring best value from estate services delivery and supply chains and third party income or capital receipts in respect of any surplus land.

Cash

The Trust has had a challenging year in 2016/17 in respect of cash. A revolving working capital facility of £8.19m was identified and agreed as part of the 2016/17 Operational Plan submission. The cash impacts of the issues identified in this section of the operational plan has meant that variation to this working capital facility as part of the Trust's rolling 13 week cash flow forecasting was identified and consequently agreed by DH colleagues on the 7th November. Going forwards further cash support has been identified as being required totalling £1.4m in 2017/18 and £6.1m in 2018/19 after all cash preservation initiatives have been explored.

As a result of the profile of the savings within the revised plan the working capital facility will need to be extended by c£7.5m through the 2017/18 financial year with repayment of c£6.1m in M12.

Summary Income and Expenditure

The table below sets out the overall I&E position for WUTH following the modelling work, key assumptions and overarching financial strategy of the Trust.

	2016/17 Plan £'m	2016/17 Forecast £'m	2017/18 Projected £'m	2018/19 Projected £'m
Income	325.1	321.7	339.5	332.2
Expenditure	311.2	320.2	327.4	326.4
EBITDA	13.9	1.5	12.1	5.8
EBITDA Margin %	4.7%	0.5%	3.5%	1.7%
Normalised Net (Deficit)	0.2	(10.5)	(0.4)	(7.4)
UoR Rating	3	3	3	3
Cash	7.9	1.8	2.3	3.2

The Trusts main commissioner is Wirral CCG and within the above a contract sum of £236m has been incorporated but deflated by £2.0m through creation of an expenditure reserve to reflect potential additional penalties. To summarise within the above the Trust has catered for;

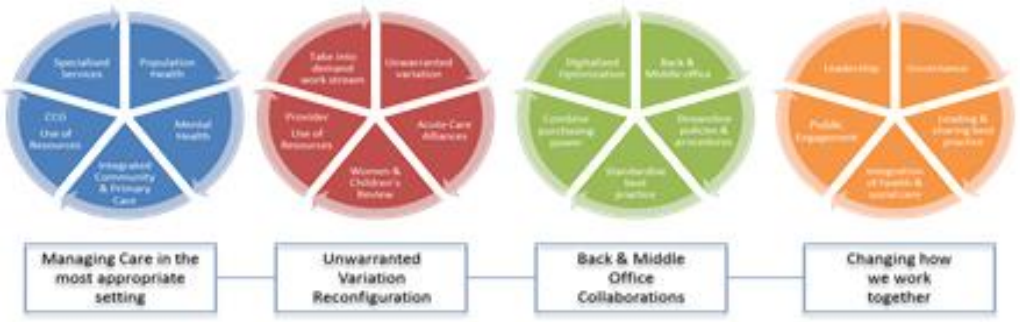
- £1.5m risk mitigation/contingency reserve
- Winter planning costs estimated at £1.3m
- Quality reserve at £0.7m

5. Links to the Cheshire and Merseyside Sustainability and Transformation Plans (STP)

The STP submitted to NHS England in October is based on three Local Delivery System Plans (LDSP). WUTH is covered by the LDSP for Cheshire & Wirral. The STP represents "the design stage of a programme [of change]". The underpinning vision – improving the health of the Cheshire & Merseyside population, improving the quality of care in hospital settings, optimising direct patient care – is clear and compelling. However, whilst the STP and the LDSP identify a range of work streams and projects supporting delivery of that vision, further work is required to provide the specificity in terms of actions, impact and timelines required to inform the Trust's operational planning process.

It follows from this that a key objective for 2017/18 is to work with STP and LDSP partners to develop the work streams and projects identified to a position where a detailed change programme is in place. WUTH played a material role in the development of the STP and the LDSP: the CEO led the LDSP work stream on clinical variation and hospital configuration; the Trust's women's and children's services clinicians were closely involved in the development of a new model of care for Wirral and West Cheshire. Project management and governance arrangements are currently being put in place across the STP and LDSP footprints. The Trust will continue to provide resources to support implementation and to invest in the development of closer relations with partners.

The LDSP sets out four work streams each made up of five projects:



The key foci for WUTH over the next two years are therefore:

Managing care in the most appropriate setting – Maximizing the benefits of investment to date in population health management

Unwarranted variation/ reconfiguration – Maximizing the benefits of the Trust's status as a Global Centre of Digital Excellence and progressing the development of the Acute Care Alliance between WUTH and the Countess of Chester Hospital NHSFT

Back and middle office collaborations – The consolidation of back and middle office functions

Changing how we work together – The development of an Accountable Care Organisation on the Wirral

Further work will be required to calculate the impact on finance, workforce and quality. It is likely that financial benefits will be realised later in the Five Year Forward View planning period. Until such time as appropriate governance arrangements are in place the Trust Board cannot endorse the financial position but is engaged in the process.

6. Membership and elections

The Trust holds governor elections each year for both public and staff seats on the Council of Governors. The Trust held a full election in July 2015 for 8 seats, both staff and public, of which 6 were successfully filled. Elections for July 2016 successfully filled 5 public and staff governor seats, giving the Trust a full complement of Governors. In 2015/16, the Trust developed and implemented a bespoke governor training programme (building on experience of an earlier externally provided programme); this continues to be updated to meet Governor needs as these have been well received. In addition, the Trust will continue to use the *Governwell* induction toolkit to support its training and development of Governors.

The Trust will continue with the current programmes of Council of Governors Workshops and visits to particular areas of the hospital to increase Governor knowledge of and insight into key areas of the Trust's operations. The Governor role in the internal Care Quality inspections will remain pivotal in 2017 and beyond as this expands upon the concept of Board Walkabouts making these more meaningful and structured for all parties. The role of youth and public ambassadors introduced during 2015/16 was a means of retaining the knowledge of ex-Governors who have reached the end of their tenure and using this to support new Governors and also as a way of engaging our younger members who have traditionally not been forthcoming in terms of applying to become Governors. Both aspects of this new role have been well received in the organisation.

The Trust has continued with its active engagement of Governors in its Annual Plan Advisory Committee, the Committee reviews strategic themes and objectives and the programme for completion of the annual plan.

The membership strategy continues to develop as Governors and Ambassadors look for new and innovative ways to engage with members. The Trust has also, with the involvement of the Membership and Engagement Committee revised its membership strategy. The Trust encourages Governors to speak at GP patient groups, local churches or community groups and schools.

The Trust has always worked with established groups on the Wirral such as Healthwatch and the Older Peoples Parliament as a way of engaging with members and drawing upon a limited resource. Our Governors, Ambassadors and Membership Committee play a huge role in the promotion and execution of our Annual Members' Meeting and with the content of our joint staff and public Newsletter. As the largest employer on the Wirral the Trust is planning a programme of careers events both inside and outside the hospital which our youth ambassadors will be instrumental in making a success.

The Trust continues to have a membership that is a good representation of the population it serves.

Board of Directors	
Agenda Item	7.1
Title of Report	Chair of Audit Committee Report
Date of Meeting	26 April 2017
Author	Cathy Bond, Chair of the Audit Committee
Accountable Executive	David Allison, Chief Executive
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	All
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	Discussion
Reviewed by Assurance Committee	Not applicable
Data Quality Rating	Not applicable
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	Not applicable

The Audit Committee welcomed the Chief Executive to its meeting on 7th April 2017 and reports upon the following items to the Board of Directors:

Assurance Committee – Chair's Reports

The Committee received the Chair's Reports of the Quality and Safety Committee of 8th March 2017 and Finance, Business Performance and Assurance Committee (FBPAC) of 24th March 2017. Audit Committee were asked to confirm or otherwise the effectiveness of both Assurance Committees based on this information. Audit Committee confirmed that it was not possible to comment based on a copy of Committee reports to the Board. Audit Committee noted that both Assurance Committees would themselves undertake a formal Committee effectiveness review for the 2016/17 period which would be forwarded to the Audit Committee for review in May 2017.

The Committee noted the imminent review of the FBPAC Terms of Reference and Workplan. The review would mirror the approach adopted by the Quality and Safety Committee and revisions would place greater emphasis on the role of the Executive Working Groups in providing assurance. The Committee was advised that an Executive Working Group Chairs Report Template was to be drafted by the Director of Corporate Affairs to support escalation of appropriate issues to the Assurance Committees.

Board Assurance Framework

The Committee received the updated Board Assurance Framework (BAF) and noted that the aggregate risk profile had been updated to highlight those risks, or aspects of risks, that were within the gift of the Trust to influence and those which were dependent on collaboration with external partners.

The Committee reviewed the draft Risk Appetite Matrix which grouped the BAF risks according to a cautious, moderate or open approach and the Committee agreed that the Risk Appetite Matrix, as detailed in Appendix 1, be recommended to the Board of Directors for approval.

The Committee was pleased to note the success of the BAF training programme and enthusiasm voiced by the Clinical Divisions and Corporate Services regarding the opportunity to take an active role in informing the content of the BAF.

The Committee requested that the catastrophic risk descriptor be reviewed during the annual review of the Risk Management Strategy in June 2017 to ensure it is reflective of the current national position.

Clinical Audit Update

The Medical Director attended the Audit Committee to assist in the interpretation of the Clinical Audit Update which outlined clinical audit performance for quarter 3 of 2016/17. The Committee noted the transitional process which had commenced which would see the introduction of more robust clinical audit approval processes and development of an assurance report to include enhanced performance metrics, areas for improvement and positive outcomes realised as a consequence of clinical audit. The Audit Committee outlined to the Medical Director its requirements and noted her intention to refocus the approach to Clinical Audit in the Trust, the proposed refresh of the Clinical audit Strategy and the establishment of a Clinical Audit Effectiveness Group.

Well Led Governance Framework

The Committee was pleased to note the progress made against the recommendations of the Well Led Governance Framework Review, which reached its conclusion in September 2016, across the following key areas:

- Risk Management Processes – The Committee had received regular updates regarding the effectiveness of risk management processes and progress of the procurement process to facilitate the purchase of an enhanced risk management system
- Quality Improvement Strategy – The Committee noted that outcomes of the current Quality Governance Review which were anticipated in April 2017 and would inform the Quality Improvement Strategy
- A review of Assurance and Executive Committees – The Committee noted that an evaluation of the Trust governance meeting structure was underway
- Data quality and Management of Information – The Committee was advised that work had commenced to develop a data quality kite mark

Head of Internal Audit Opinion

The Committee received the Head of Internal Audit Opinion which confirmed the overall conclusion for 2016/17 as 'Significant' Assurance.

The Committee was advised that the enhanced rigour provided by the internal audit recommendations follow up mechanism and the Trust's timely response to the actions recommended through audits assigned 'Limited' Assurance had been contributory factors to the 2016/17 opinion.

The Committee requested that Non-Executive Directors be afforded the opportunity to highlight areas of focus to inform the scope of future planned internal audits to ensure any areas of concern identified throughout the year by the Audit Committee were included in the audit.

Draft Annual Governance Statement

The Committee reviewed the draft Annual Governance Statement (AGS) for 2016/17, as presented by the Chief Executive in his role of Accountable Officer, which included all items requested by the Senior Management Team and Audit Committee. The content of the draft AGS balanced in-year controls and key risks and challenges with future risks and positive improvements which had realised enhanced rigour. It was confirmed that the AGS would be updated to reflect the outcomes of the follow-up of those internal audits which were initially assigned 'Limited' Assurance during 2016/17.

The Committee requested that the following further items be included in the final AGS:

- Well Led Governance Review benchmarking data
- Stronger emphasis on the work of External Audit
- Reference to the impact of nationally recognised external pressures to both financial and operational performance and the importance of attaining future financial and operational targets
- Acknowledgement of the winter pressures and the potential future risks associated with increased demand and acuity during winter periods
- An outline of the mitigating actions applied by the Trust to ensure effective cash management
- Reference to the Trust dependency on external funding as a future risk

The Committee was pleased to note the overall content of the AGS and requested the further information regarding the in-year achievements of the Trust during 2016/17 be included, which were:

- The outcomes of the NHS Staff Survey
- National data quality review performance
- Compliance with reference costs
- Recognition of the positive impact of the Raising Concerns initiative
- The work to be undertaken to improve compliance against the requirements of the CQC 'Safe' domain.

The Committee noted the Chief Executive approval of the AGS and was advised that the final draft of the AGS was to be presented to the Audit Committee in May 2017 and shortly thereafter presented to the Board of Directors for approval towards the end of May 2017.

Internal Audit

The Committee reviewed the outcome/ratings of the audits undertaken during the reporting period as follows:

- Combined Financial Systems – Significant Assurance
- Standards of Business Conduct – Significant Assurance

The Committee noted that follow-up audits had been conducted for those areas assigned 'Limited' Assurance during 2016/17, namely Water Safety and IT Service Continuity. It was confirmed that all high level risks had been fully implemented with the exception of one IT Service Continuity risk for which a project plan was in place. The Committee was advised that a full review of Water Safety and IT Service Continuity would be conducted as part of the 2017/18 Internal Audit Plan.

The Committee received the risk based Internal Audit Plan for 2017/18 which incorporated the outcomes of the Audit Committee Workshop of 28th February 2017. It was confirmed that the plan allowed flexibility for the inclusion of audit of risks identified in-year and the outcomes of all audits conducted throughout 2017/18 would be reflected within the BAF. The Committee requested that specific reference to the Bank and Agency Spend Review be included in the 2017/18 plan. Subject to the requested amendment, the Committee approved the Internal Audit Plan and Costs for 2017/18.

Anti-Fraud Annual Report

The Committee received the Anti-Fraud Annual Report which included a review of provider performance against the NHS Protect Standards for which the Trust was overall compliant noting that 4 of the 24 standards were marked as amber and requiring attention. The Committee requested that regular progress updates regarding the work undertaken to achieve a green status for currently rated amber standards be included in future reports and the impracticalities associated with utilisation of the FIRST system for the recording of fraud, bribery and corruption allegations and investigations be reported to NHS Protect.

External Audit

The Committee was advised that the substantive testing of the Trusts Annual Accounts up to month 11 of 2016/17 had proved positive and the Trust was scheduled to submit its accounts for review by External Audit at the end of April 2017. The outcomes of the review of the accounts by External Audit would be presented to the Committee in May 2017.

The Committee noted that the Going Concern Statement had been reviewed by the External Auditors Consistency Panel and the decision of the panel was anticipated during the week commencing 17th April 2017. A final Going Concern Assessment would be presented to the FBPAC at its April 2017 meeting ahead of presentation of the final Going Concern Statement to the Audit Committee in May 2017.

The Committee noted the key factors within a Going Concern Assessment including materially the anticipated continuation of the provision of services into the future.

External Audit brought to the Committees attention the issue of financing and this would be key in deciding if any "emphasis of matter" would be made and would be a key output from the consistency panel meeting and as part of discussions with the National Audit Office.

The Committee was pleased to note the positive initial findings of External Audit in respect of the A&E 4 Hour Standard and Referral to Treatment Target (RTT) data quality audit. The Committee was pleased to note the visible improvement in RTT data quality following commencement of the cleanse of the Patient Tracking List. It was noted that the conclusion of the data quality audits would be presented to the Committee as part of the External Audit Opinion in May 2017.

Cathy Bond
Audit Committee Chair

Appendix 1

Risk Appetite against strategic objectives for 2016-18

Risk Appetite	Theme(s)	Strategic Objective	Strategic Risks
Cautious The quality of our services, measured by clinical outcomes, patient safety and patient experience is paramount. The Trust does not want therefore to compromise quality and patient safety. For the avoidance of doubt this includes those risks associated with maintaining appropriate staffing levels	Quality of Care	To be: the top NHS Trust in the North West for patient and staff satisfaction To deliver: consistently high quality secondary care services enhanced through the provision of regional specialist services within available resources To ensure: our people are aligned with our vision	1. Quality and Safety – The Trust does not undertake the necessary actions to achieve a 'Good' rating at its next inspection resulting in poor patient experience, loss of public confidence and regulatory action 2. Patient Experience – The challenging NHS environment impacts on patient satisfaction impacting on clinical outcomes & public confidence 3. Staff Engagement – the challenging NHS environment impacts on staff engagement and results in a poor NHS staff survey 4. Clinical Outcomes – The Trust is unable to implement the 4 priorities by 2020 and risks regulatory action
Moderate The Trust is prepared to accept the possibility of increased financial risk where there is serious risk of harm to patients. The Trust's primary concern will always be the safety of its patients. The Trust will ensure that consistent financial rigour is applied to all the Trust's activities. The Trust is prepared to accept the possibility of increased operational risk where there is an evidenced based need to undertake transformational or internal reform for the medium to	Finance and Use of Resources Operational Performance Leadership and Improvement	To be: the top NHS Trust in the North West for patient and staff satisfaction To ensure: our people are aligned with our vision To maximise: the benefits of innovation in clinical and organisational practice, enabling technologies and the role of the Trust as a teaching institution Enabled by: financial, commercial and operational excellence	5. Sustainability – The Trust is unable to manage its capital and cash and risks being unable to cover its financial obligations 6. Efficiency – The Trust is unable to remove unwanted variation resulting in an inability to reduce costs 7. Controls – The Trust is unable to manage its agency spend and meet its agreed control total resulting in loss of STF funding and regulatory intervention 8. Value for Money – Inability to demonstrate proper arrangements for securing economy, efficiency and effectiveness in the Trust's use of resources 9. 4-Hour A&E Standard – Failure to achieve the trajectory targets agreed with NHSI for 2016/17 resulting in poor patient experience, regulatory action & loss of STF funding 10. RTT – Failure to achieve the trajectory targets agreed with NHSI for 2016/17 resulting in poor patient experience, regulatory action & loss of STF funding 11. Cancer – Failure to deliver the National Cancer Standards for 2016/17 resulting in poor patient outcomes, regulatory action & loss of STF funding 12. C.diff – Trust exceeds the permitted cumulative number of cases for 2016/17 resulting in poor patient experience, regulatory action & loss of STF funding 18. Enforcement Action – Insufficient progress against greed financial and access targets results in further regulatory action and enforcement of Section 111 19. Clinical Engagement – failure to improve clinical leadership & engagement

longer term. This is provided this is undertaken in conjunction with and accepted by Regulators. The Board is keen to return to regulatory compliance with NHS Improvement and recognises that its rating with CQC is a key indicator of quality and financial sustainability and the Trust will not take any risks that will compromise this.			limits our ability to improve patient outcomes & results in loss of activity & increased costs 20. Data Quality – failure to improve data quality results in loss of confidence; potential risk to patient safety and inability to manage capacity and demand
Open The Trust acknowledges that the context of the NHS is changing and in order to be sustainable in the future, it must undertake transformational change along with partners. The Board therefore accepts that this requires a high degree of tolerance for risk for which it is prepared to accept in order to achieve the very best for its population.	Strategic Change	To prioritise: development of new models of care in co-operation with our acute/secondary, primary, community and social care partners To build on: joint working with partner agencies to deliver the maximum operational and financial benefits To guarantee: the sustainability of the Trust through transformation of service provision and system performance To maximise: the benefits of innovation in clinical and organisational practice, enabling technologies and the role of the Trust as a teaching institution	13. STP C & M – failure to work collaboratively with partners & implement agreed plans inhibits our ability to improve the quality & sustainability of services for our patients 14. LDSP W & C – failure to work collaboratively with partners & implement agreed plans inhibits our ability to improve the quality & sustainability of services for our patients 15. Healthy Wirral – failure to work collaboratively with partners & implement agreed plans inhibits our ability to improve the quality & sustainability of services for our patients 16. IT – Failure to realise the benefits of Cerner through the various work streams resulting in poor patient outcomes, reputational damage & future investment. 17. Estates – failure to develop & implement a strategic estates strategy impacts on patient & staff experience and financial sustainability

Board of Directors	
Agenda Item	7.2
Title of Report	Report of the Finance, Business Performance and Assurance Committee – 21 April 2017
Date of Meeting	26 April 2017
Author	Andrea Hodgson, Chair of the Finance, Business Performance and Assurance Committee
Accountable Executive	David Jago, Director of Finance
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	4, 7, 8 4a, 7a, 7b, 7d, 8a, 8c, 8d, 5, 6, 7, 8, 9, 16, 17, 20
Level of Assurance • **Positive** • **Gap(s)**	Gaps with mitigating action
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	Discussion
Reviewed by Assurance Committee	Not applicable
Data Quality Rating	Not applicable
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	Not applicable

This report provides a summary of the work of the Finance, Business Performance and Assurance Committee (FBPAC), which met on the 21st April 2017. Key focus areas are those, which address the gaps in assurance/control in the Board Assurance Framework.

Finance, Business Performance and Assurance Committee Terms of Reference and Work Plan

The FBPAC Terms of Reference had undergone an annual review and been updated to include the Director of Workforce as a member of the Committee to support the Committee in fulfilling its roles in analysing agency and other non -core spend and appropriate allocation of resource.

The Terms of Reference had also been updated to outline the role of the Committee in:

- Monitoring cash levels and use of the Working Capital Facility
- Reviewing the budget setting process
- Evaluating the Financial Plan
- Reviewing the year-end outturn to support the Audit Committee approval of the Annual Accounts.

The Committee agreed that its revised Terms of Reference be submitted to the Board of Directors for approval in April 2017, subject to the inclusion of the Director of Nursing and Midwifery as a member of the Committee to provide enhanced clinical representation. The updated Terms of Reference is included as Appendix 1 to this paper.

The Committee was apprised of the work, which was underway to review the Trusts governance meeting structure, which would include a review of the sub-groups of the FBPAC. The Committee welcomed the presentation of the updated Terms of Reference of its sub-groups at a future meeting.

The Committee received and approved its work plan, which covered the 2017/18 period and had been drafted to ensure fulfilment of the Committees key roles and responsibilities as outlined within its Terms of Reference.

Annual Review of Committee Effectiveness

The Committee noted that the Annual Review of Committee Effectiveness (Appendix 2) had been used to inform the revisions to the Committee Terms of Reference in order to provide enhanced rigour and build on the Committees key priorities. The Committee agreed that going forward, a more focused approach would be adopted in the review of risks with a score of fifteen or above to ensure that sufficient consideration be given to prioritised risk areas and mitigating actions.

The Committee requested that the section of the report pertaining to future priorities reflect that the Cost Improvement Programme (CIP) would form part of a wider transformation portfolio.

Board Assurance Framework

The Committee noted the key changes to the Board Assurance Framework (BAF) during the reporting period, including:

- Risk 1 (Quality and Safety) a revised risk descriptor no longer focused solely on the Trust's CQC rating but had been broadened to reflect overall quality improvement. The scoring had been increased to reflect the work currently being undertaken to improve the Trust's safety culture.

And the revised risk scores of:

- Risks 5 (Sustainability), 6 (Efficiency) and 7 (Controls), which had been reduced to reflect the robust mitigating actions, put in place in order to achieve the Trust's 2016/17 objectives.

The Committee received confirmation that the suspension of the capital scheme associated with Wirral Neuro Rehabilitation Centre had been a deferral of expenditure only and had not resulted in a suspension of service. It was confirmed that following completion of the current bed modelling work the scheme would recommence with completion in 2017/18.

The Committee voiced its support in respect of the proposed draft Risk Appetite Matrix that had been reviewed by the Audit Committee ahead of its presentation to the Board of Directors in April 2017 for approval.

M12 Financial Position

The Committee reviewed the year-end position, which was a cumulative normalized deficit of £10.4m. Whilst this was significantly below the initial 2016/17 plan, it was in line with the revised forecast, which was presented to NHS Improvement (NHSI) in September 2016. The main drivers behind this variance were identified as non-achievement of Sustainability and Transformation Fund

(STF) funding (£3m), Health economy challenge (£5m) and continued operational pressures specifically in respect of additional escalation facilities (£2.5m).

The Committee was advised that the Trust cash position remained above forecast at £5.4m as a consequence of the retention of the £2.2m drawdown from the Working Capital Facility received in March 2017. As a consequence of the movement of Working Capital Facility monies from current to non-current creditors the number of liquidity days had improved to 7.5 above plan.

The Use of Resources (UoR) rating was reported at level 3, which was below the initial planned level 2. This was however, in line with the revised plan which accounted for an adverse performance as a consequence of the health economy challenge and partial achievement and non-achievement of STF in Q3 and Q4 respectively.

The Trust has delivered the full £11.2m CIP target for 2016/17 but with £8.3m delivered recurrently.

The Committee was advised that the issues identified in respect of incorrect data capture within the Emergency Department, following the Cerner upgrade in November 2016, had been addressed. The correct data for the affected reporting period had been successfully extracted from the system and was to be coded accordingly. It was confirmed that no other areas had been affected in the same manner.

The risks and appropriate mitigations were outlined and debated by the Committee in relation to income, expenditure, CIP and cash. The Committee discussed escalating to Board the cash position, full year-end outturn and the potential risks associated with 2017/18 financials of an increase in cost of funds as a result of a projected increase in Bank of England base lending rate which is already starting to be experienced within the private sector.

Budget Micro Level Review

The Committee received a summary of the budget setting process, which was adopted to underpin the 2017/18 Annual Plan. It was confirmed that a number of data sources had been utilised to develop the budgets for each area, which included but were not limited to, evaluation of the month 6 recurrent run rate, analysis of income over a 12-month period and use of the IMAS tool. It was confirmed that the Clinical Divisions and Corporate Services had actively contributed to the budget setting process for 2017/18 and voice confidence in their ability to achieve the forecast activity.

The Committee was advised that a small number of areas with overcapacity had been identified through the budget setting process and the additional capacity would be utilised to reduce the outstanding backlog.

The Committee noted positive outcomes of the work undertaken to address budget setting at an operational level but requested that further information be provided ahead of the budget planning round in October 2017 to outline the approach adopted in respect of strategic budget setting.

Final Revised Financial Plans

The Committee received the final revised financial plans, which confirmed acceptance of the Trust's revised System Control Total for 2017/18 of a £426k deficit. It was noted that the Trust had informed NHSI of its unwillingness to sign up to the proposed control total for 2018/19 at this point due to the ever-changing financial climate.

The Committee reviewed the high level assumptions regarding the STF and noted the national expectation in respect of achievement of the 4 Hour A&E Standard throughout 2017/18, as outlined within the report. It was confirmed however that the Trust was awaiting a response from NHSI to its proposed alternative trajectory, which accounted for the impact of ongoing local challenges. The Committee requested that the alternative trajectory be circulated to members.

Prioritised Capital Plan

The Committee received the prioritised Capital Plan, which outlined the allocation of £7.4m of capital expenditure funds, which had been developed in line with the budget setting process and approved by the Finance, Strategy and Planning Group.

The Committee noted that funds had been allocated to proposed schemes however, should issues arise in-year, the current allocation would need to be re-prioritised accordingly. The Committee requested that those schemes which had been proposed but with a risk score below the agreed threshold be presented at the next meeting to enable the Committee to review the total demand.

The Committee was pleased to note that in addition to the ten year work programme which was to be presented to the Board of Directors, a refreshed 6 Facet Survey was to be carried out in collaboration with the Trust's strategic estates partner, once identified, which would review all patient and quality safety aspects of the outstanding capital plan.

Final Going Concern Assessment

The Committee reviewed the final Going Concern Assessment, which supported the Trust's declaration as a Going Concern for 2017/18.

The Committee approved the Going Concern Basis Critical Judgement and the Going Concern Statement subject to the inclusion of '…that the Trust has *access to* adequate resources'.

IT and Information Update

The Committee received an update regarding management information, which outlined the enhanced staffing structure required to support current requirements and the anticipated workload associated with the Global Digital Exemplar initiative. It was confirmed that the Trust had begun to explore both academic and collaborative opportunities to attain the expertise required to support the Trust's digital agenda. The Trust had also begun developing the skills of current staff in order to fully utilise readily available analytical tools which would provide improved trend analysis and dashboard production. The Committee requested that future reports provide more immediate timescales in respect of the Digital Wirral Programme.

The Committee noted that work was underway, in collaboration with Mersey Internal Audit Agency, to engineer a data quality kite mark, as recommended as part of the Well Led Governance Review which took place in 2016. The challenges associated with the initiative were noted and an update on development progress would be provided to the Committee at a future meeting.

Performance Report for Period ending 31 March 2017

The Committee noted that the Trust had begun to report improved performance against the 4 Hour A&E Standard through March and April 2017 however further improvements were still to be realised. The Committee was apprised of the following initiatives to be employed to further improve 4 Hour A&E Standard compliance:

- The primary nurse triage of ambulance arrivals pilot had proved successful and the process would become standard practice in May 2017
- The Trust had completed 2 of the required 3 rounds of testing of the national GP streaming initiative, which would see the introduction of a consistent approach to primary care streaming from emergency departments. Initial results had been positive and a bid for capital funding in order to ensure continued support of the initiative had been drafted, in collaboration with Wirral Clinical Commissioning Group and community partners, and been submitted to NHS England
- A proposed revised on-call rota, which would ensure senior management availability for senior level decision making both in and out of hours, was out to consultation.

The Trust reported an improved Referral to Treatment Target (RTT) position of 83.84% for March 2017. It was confirmed that work was underway to establish an RTT Recovery Board, which would contain representation from those across the local health economy to monitor performance across multiple work streams. The Committee requested that the RTT improvement trajectory be presented at a future meeting.

The Committee was pleased to note the cumulative C.Difficile (C.diff) year-end position for 2016/17 of 13 avoidable cases, which was well below the threshold of 29. It was confirmed that the Trust had received confirmation of the C.diff threshold for 2017/18, which would remain at 29. The Committee extended its thanks to staff across the Trust for their contribution, which had led to the significant decrease in the number of avoidable cases of C.diff.

The Committee was pleased to note the ongoing compliance with all cancer targets.

Non-Core Spend Report

The Committee received an update on non-core spend which reported an increasing trajectory in the number agency cap breaches supplemented by a verbal update that saw a decline in April 2017. It was confirmed that work had commenced with the Clinical Divisions to reduce vacancy rates in hard to recruit areas and the Trust was working collaboratively with local partners to reduce agency spend and breaches across the local health economy.

The Committee requested that future reports:

- Outline the cost of locum and agency spend for the specific purpose of addressing gaps in the Trusts core establishment
- Identify hard to fill posts and the strategy to be employed to fill such posts
- The cost implications of staffing unplanned escalation areas
- Areas of non-conformity with the revised IR35 legislation.

Transformation Portfolio and Cost Improvement Programme at M12

The Committee was pleased to note that £2.9m of approved initiatives had been confirmed for 2017/18 and a further £1.1m of schemes were due for approval at the next Transformation Steering Group meeting. It was noted that £8.2m of proposed schemes had been identified which meant that further initiatives to the value of £2.8m would be sought to enable the Trust to achieve its challenging £15m target. The Committee noted that the majority of the already approved schemes were due to deliver the identified cost savings in Q1 and Q2 of 2017/18 and it was requested that future reports include a savings realisation profile.

The Committee was presented with an in-depth project review, which outlined the work to be undertaken to improve bed modelling and patient flow. The interdependencies of the scheme were outlined and the Committee was pleased to note that an agreement had been reached with partners within the local health economy to evaluate bed modelling within the local vicinity to inform commissioning decision and measure the impact of improvement initiatives.

Surgery, Women and Children's Division Finance Update

The Committee received a brief overview of the Divisions performance and lessons learned through 2016/17 as well as the anticipated challenges in 2017/18 in respect of CIP, non-core spend and Income and Expenditure in delivery of the 2017/18 plan. The key points highlighted within the presentation were the:

- Confidence of the Division to deliver its planned activity and CIP target
- Challenges associated with consultant sickness and gaps in the junior doctor rota
- Necessity to ensure planned preventative maintenance within Theatres remains up to date
- Requirement to fully optimize theatre utilisation and clinic productivity.

Procurement Performance Report

The Committee noted the positive progress made against the Lord Carter recommendations for improving procurement across the NHS provider landscape, the Trust's performance in respect of the Procurement Metrics introduced in January 2017 and performance against the national Procurement Price Index & Benchmark tool.

The Committee noted the ongoing work to address underreporting in respect of contractual agreements. It was noted that once populated, the contracts register would be utilised to inform the procurement metrics and further contract planning.

Carter Update Report

The Committee noted the progress made to date to fulfil the recommendations of the Carter Report and the continued work across the Trust to realise service efficiencies in both pharmacy and in respect of non-core spend. It was confirmed that work with colleagues in the community would continue into 2017/18 in order to achieve mutually beneficial efficiency gains across the local health economy.

NHS Improvement – Monthly Return

The Committee noted the content of the NHSI Month 12 financial commentary, which detailed the financial position at the end of March 2017 and cumulatively against the 2016/17 plan.

Assurance Reporting

The Committee received Chair's reports from the following Working Executive Committees:

- Finance, Strategy and Planning Group
- Global Digital Excellence Programme Board
- Information, Information Governance and Coding Group
  The Committee received details of the data protection breaches identified during March 2017 and noted the mitigating actions taken to prevent any such further instances.

Andrea Hodgson
Chair of Finance, Business Performance and Assurance Committee

Appendix 1

Wirral University Teaching Hospital NHS
NHS Foundation Trust

Finance Business Performance & Assurance Committee

Terms of reference

Authors Name & Title: David Jago Director of Finance	
Scope: Trust Wide	**Classification: Terms of Reference**
Replaces: Finance, Performance and Business Development Committee	
To be read in conjunction with the following documents: Corporate Governance Manual (including Scheme of Reservation and Delegation and Standing Financial Instructions)	
Document for public display? Yes	

Unique Identifier:	**Review Date: March 2017**	
Issue Status: Approved	**Issue No: 2.0**	**Issue Date: April 16**
Authorised by: Board of Directors	**Authorisation Date:**	
After this document is withdrawn from use it must be kept in an archive for 10 years		
Archive: Document Control	**Date added to Archive:**	
Officer responsible for archive: Author		

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors to seek assurance on behalf of the Board of Directors with regards to the Trust's financial and operational performance delivery of the in-year plans and the development of future plans within the context of the requisite licence regulatory requirements and statutory obligations. This is a Non-Executive Committee.

2. Authority

The Committee is authorised by the Board of Directors to investigate any activity within its terms of reference. It is authorised to seek information it requires of any employee (or contractor working on behalf of the Trust) and all employees (or contractor working on behalf of the Trust) are directed to cooperate with any reasonable request made by the Committee. The Committee is authorised to obtain legal advice or other professional advice from internal or external sources within the delegated limits of the Committees members.

Trust Standing Orders and Standing Financial Instructions apply to the operation of the Committee.

The Committee has authority delegated by the Board of Directors to:

2.1 Receive assurance on all aspects of the effective outturn delivery of financial, operational performance targets and significant variances to planned levels of achievement.

2.2 Ratify and review policies and procedures required for effective management of financial, performance and business development practice across the Trust as defined by the Committees work plan, and where appropriate delegate responsibility for this to associated groups and respond to requests which come from those groups

2.3 Review proposed new investments, undertake due diligence and make recommendations to the Board for approval in line with scheme of delegation.

2.4 Review working capital requirements and investments in line with the Board approved Treasury Management Policy.

2.5 Review or undertake a "Deep dive" into areas of concern raised by the Board at the preceding meeting with a view to providing assurance to a subsequent Board meeting.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

3.1 Risk and Assurance

3.1.1 To receive, monitor and seek assurance on risks relating to finance and operational performance rated above 15, referred in accordance with the Risk Management Strategy

3.1.2 To seek assurance that the gaps identified through or within the Board Assurance Framework, which relate to the activities of this committee, have

appropriate measures in place to be resolved and are appropriately reported to the Board. Ensure at all times that actions taken to mitigate risks are identified as either within the sole gift of the organisation or require additional support from partners.

3.1.3 To establish clear lines of delegated authority to the Committees working groups and direct the work plan for these groups which will provide the necessary assurance

3.2 Financial Management and Assurance

3.2.1 To review the adequacy of the budget setting process and assumptions at Divisional and Corporate Services Level ahead of recommending the financial plan to the Board for approval.

3.2.2 To review the Trust's Financial Plan in accordance with agreed timescales and in line with the Trust's strategic objectives, making appropriate recommendations to the Board of Directors

3.2.3 To receive assurance on plans to achieve the control total for 2017/18; where plans indicate risk review the assurance offered by the actions to mitigate these risks

3.2.4 Consider the robustness of the M12 and year-end out turn ahead of review of the Annual Accounts by the Audit Committee to provide assurance on the reliance of these

3.2.5 To review and recommend business, operational and financial plans to the Board of Directors

3.2.6 To review and ensure effective due diligence in respect of business cases, ratifying those within the financial limits delegated and referring on to the Board with recommendations, those in excess of delegated limits.

3.2.7 To consider future options for all non NHS income with specific reference to private patient income and ensure that income derived from activities related to the Trust's principal purpose of the NHS meets the limits as set by national governing bodies

3.2.8 To review, monitor and seek assurance on the achievement of value for money through use of benchmarking data, including reference costs and the work of the model hospital

3.2.9 To monitor and seek assurance on provider to provider and third party contractor SLA's that present a material risk to the organisation.

3.2.10 To review and seek assurance on the development, implementation and clinical engagement in the Service Line Management (SLM) process through Divisional representation.

3.2.11 To seek assurance on the Trust overall cash management position

3.3 Performance and Improvement

3.3.1 To monitor the operational performance and agree, as necessary, corrective action for all national targets that contribute to NHSI's Governance Risk Rating

3.3.2 To monitor and seek assurance on the operational performance and agree corrective action for contract performance targets including the financial elements of CQuINs

3.3.3 To instigate investigation into any aspect of performance that gives cause for concern, providing exception reports to the Board of Directors, as required

3.3.4 To monitor and seek assurance on the Global Digital Exemplar Programme and associated action plans

3.3.5 To review and seek assurance on data quality and clinical coding improvements

3.3.6 To review and seek assurance on the Trust's ability to provide appropriate management information that support timely decision making
3.3.7 to review and monitor the actions being taken to manage the Trust's estate and in particular backlog maintenance with a view to providing assurance to the Board.
3.3.8 To monitor and seek assurance on compliance against the procurement strategy including implementation of Lord Carter recommendations
3.3.9 To monitor and seek assurance on compliance with the Agency Cap focussing particularly on recurrent risks and resource utilisation.
3.3.10 To review, monitor and seek assurance on the financial performance of the Trust including, income, expenditure, activity, NHSI metrics and contract performance ensuring that actions are taken as necessary to remedy adverse variation
3.2.11 To monitor delivery and seek assurance of the CIP and Transformation programme – in year and forward plan
3.2.12 To review and seek assurance on the capital programme and expenditure on a quarterly basis
3.2.13 Post project evaluation of approved business cases 6 months after implementation of the planned change including the work of Cerner
3.2.14 Refer any aspects of the Committees work to the Audit Committee for consideration as part of the Internal Audit Plan.

3.4 Regulation

3.4.1 To review and recommend to the Board the monthly, quarterly, annual, returns (including Board declaration statements) to NHSI.
3.4.2 To review compliance with the Information Governance Toolkit

3.5 Governance

3.5.1 To review and seek assurance on compliance against relevant legislation
3.5.2 To consider and seek assurance on the implementation and compliance of relevant national guidance, including directives from NHSI, CQC, Department of Health, and national and local commissioning guidance where these have a new or significant financial impact on the Trust
3.5.3 To approve the establishment, work plans, duration and ensure the effectiveness of Groups reporting to the Committee
3.5.4 Respond to and refer actions to the Audit Committee as necessary

4 Equality and Diversity

The Committee will have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5 Integration

The Committee will support the integration of clinical, organisational and financial risk management with that of the business planning process.

It will promote a holistic approach to managing risk that will encourage all staff to integrate the management of finance into achieving their objectives in order to provide safe, effective, timely and efficient care to patients.

The Committee Chair and Director of Finance will work with the Senior Management Team and Board to integrate clinical, financial and organisational governance and risk management processes and systems.

The Committee will work with other Committees including the Audit Committee to provide assurances required to support the Annual Governance statement.

6 Membership

- Nominated Non-Executive Director (Chair)
- Two additional nominated Non-Executive Directors
- Director of Finance (Nominated Deputy – Deputy Director of Finance)
- Chief Operating Officer
- Director of Workforce
- Director of Nursing and Midwifery
- Medical Director

7 Attendance

- The following officers will attend the Committee
- Director of Strategy
- Director of IT and Information
- Director of Corporate Affairs

Other officers of the trust will be invited to attend as requested by the Committee.

All members are expected to attend all meetings with attendance being reviewed annually; attendance below 80% will be discussed with the Committee Chairman at the earliest opportunity.

8. Quorum and Frequency

The quorum shall be four members, to include two Non Executive Directors, the Director of Finance (or Nominated Deputy), the Medical Director or the Director of Nursing & Midwifery.

The Committee shall meet at least 6 times a year, in accordance with a planned business cycle that is agreed at the start of each year (April).

9. Reporting

The Committee will report to the Board following each meeting via a Chair's report.

Unapproved minutes will be circulated to Board Members by email as soon as is practicable following the meeting.

The Committee will receive Chair's reports from the following:

- Finance Strategy and Planning Group(monthly) – minutes
- Transformation Steering Group– through the formal CIP report
- Global Digital Excellence Programme Board
- Information, Information Governance and Coding Group (monthly)

10. Conduct of Committee Meetings

The Executive Director Lead, in liaison with the Chair of the Committee will ensure that the appropriate processes are followed:

- An annual work plan reflecting the Committee's business cycle will be prepared by the end of March each year for the forthcoming year.
- Minutes and action log will be kept by the Committee Secretary on behalf of the Chair
- The agenda will include the following standing items:
    - Minutes of last meeting
    - Action Log

    - Risk
    - Financial Management and Assurance
    - Regulation
    - Performance and improvement
    - Group Reporting
    - Recommendations to the Board
    - Evaluation of Meeting and Papers
    - Date of next meeting

- The agenda and supporting papers will be sent out 4 working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.
- Authors of papers must use the standard template and indicate the purpose of the paper – e.g. decision, discussion, assurance, approval.
- Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.
- Distribution of minutes and archiving of documentation will be managed by the Committee Secretary in accordance with standard procedures.

Wirral University Teaching Hospital NHS
NHS Foundation Trust

Finance Business Performance and Assurance Committee Annual Review of Effectiveness

April 2017

1. Purpose of the Report

This annual review of effectiveness has been prepared for the attention of the Board of Directors and reviews the work and performance of the Finance Business Performance and Assurance Committee during 2016/17 in satisfying its terms of reference.

2. Remit of the Committee

The Committee is established as an Assurance Committee of the Board of Directors. Its purpose is to seek assurance on behalf of the Board with regards to the Trust's financial and operational performance delivery of the in-year plans and the development of future plans within the context of the requisite licence regulatory requirements and statutory obligations. This is a Non-Executive led Committee.

3. Membership of the Committee

The membership of the Committee is as follows:

- Nominated Non-Executive Director (Chair)
- Two additional nominated Non-Executive Directors
- Director of Finance (nominated Deputy- Deputy Director of Finance)
- Chief Operating Officer
- Medical Director (nominated Deputy – Director of Nursing and Midwifery)

The following officers also regularly attend the Committee

- Deputy Director of Finance
- Director of Strategy
- Director of IT and Informatics
- Director of Operations
- Director of Corporate Affairs

Other officers of the Trust will be invited to attend as requested by the Committee.
Changes in the role of Chair took place during 2016/17 as part of the annual review of Non-Executive portfolios.

4. Compliance with Terms of Reference

The terms of reference of the Committee are reviewed annually and the last review date was April 2016.

The FBPAC met 7 times during 2016/17 as follows:

- 22nd April 2016
- 24th June 2016
- 2nd September 2016
- 21st October 2016
- 16th December 2016
- 17th February 2017
- 24th March 2017

All meetings have been quorate.

The Chair of the Committee submits a report to the next available Board of Directors meeting. The minutes of the meeting are circulated to all members of the Board of Directors.

5. Review of Effectiveness

The Committee agreed that it would undertake key pieces of work under the following headers for 2016/17:

- Risk and Assurance
- Financial Management and Assurance
- Performance and Improvement
- Regulation
- Governance

The work plan for the Committee was established and approved in April 2016 to support this.

5.1 Risk and Assurance

The Committee has reviewed the Board Assurance Framework (BAF) at each of its meetings during 2016/17. The agenda for the Committee is framed around the key areas of delegation in the BAF and focuses on key issues and gaps in assurance.

The Committee has recommended to the Board risks for removal and inclusion in the BAF over the reporting period as well as specific items for inclusion as recorded at each of its meetings. The Committee recommended a revision in the risk rating in relation to the A & E 4 Hour Access Target to a risk of 20 which was subsequently presented this to the the Board in February 2017 in line with the risk management requirements. The Board supported this review in light of the significant difficulties with out of hospital care provision.

The Board of Directors undertook a full review of the BAF in September 2016 which led to the FBPAC being assigned 9 of the 20 strategic risks described in the BAF.

The Committee has responded to requests from the Audit Committee and undertaken reviews in the following areas which have subsequently provided assurance to the Board:

- The Trust's ability to discharge its Better Care Fund responsibilities
- Non-compliance with Referral to Treatment Time RTT licence requirements
- The potential impact of entering into a Payment by Results contract with commissioners
- Critical estates issues such as water safety
- How oversight of IT service continuity could be maintained

5.2 Financial Management and Assurance

The Committee has reviewed at each meeting the full financial position of the Trust and undertaken the annual assessment of the going concern statement ahead of formal Board approval. The Committee also undertook a review of the in-year financial forecast change ahead of approval by the Board and submission to NHS Improvement in Quarter 3 of 2016/17 in line with expectations.

A full review of the Trust's cash and capital expenditure was undertaken together with a review of the Use of Resources assessment.

The Committee received the Income and Expenditure plans and Balance Sheet assumptions for 2017/18 and 2018/19 and gave consideration to the risks associated with:

- Compliance against RTT and 4 Hour A&E Standard,
- Management of agency spend within agreed financial parameters,
- Delivery of core activity,
- CIP preparedness,
- The proposed control total.

The Committee recommended that the Board of Directors approve the two year Financial Plan (2017-19) in the knowledge that the plan would not be in line with the control totals issued by NHSI, at that time.

The Committee reviewed the Expression of Interest for the bid for Global Digital Exemplar GDE status ahead of approval by the Board and submission on 7th September 2016.
Periodic reviews on service line reporting were undertaken as follows:

- Medicine and Acute – June 2016
- Surgery Womens and Childrens – October 2016
- Diagnostics and Clinical Services – February 2017

The Committee also took on a range of "deep dives" on behalf of the Board with a view to providing assurance in complex areas. The following areas were reviewed in 2016/17:

- **One to One (North West) Ltd** – the Committee reviewed and received assurance on the legal process in this regard and the interaction with NHSI to seek a resolution for the future. The Committee referred the review of quality aspects highlighted as part of this work to the Quality and Assurance Committee in November 2016.
- **The winter plan** – the Committee reviewed the actions taken by the Trust in conjunction with health and social care partners to provide high quality timely care for all patients during winter 2016/17. Due to the risks associated with funding of the plan, the Committee recommended that a report be presented to the Board which outlined the risks associated with the plan.
- **Procedures of low clinical value** – The Committee reviewed the financial and operational impact of the notice received from Wirral commissioners regarding revised commissioning arrangements for procedures of low clinical value and continue to monitor this through the committee's review of the BAF.

A full review of all Service Level Agreements was undertaken in June 2016 with the Committee requesting further assurance on the level of income/expense exposure, risks associated with delayed sign off and the behaviours/activities which affect reaching agreement. This work has been delayed and is due to be presented to the Committee in April 2017 through the Chair of Finance Strategy and Planning Group report.

The Board requested that the Committee undertake a review of the contract award recommendation for orthopaedic/trauma products. This was undertaken in December 2016 ahead of formal sign off by the Board. The review enabled the Committee to conclude that this provided the most cost effective approach to the procurement of these products and that this had full clinical support. The Committee is due to evaluate the impact of this contract award, in line with its work programme, in July 2017.

Although the Committee reviewed the financial planning process in December 2016 ahead of approval by the Board, the Committee has requested that for 2018/19 a full review of the "bottom up approach" to establishing and agreeing financial budgets for Divisions and Corporate Services has been requested.

5.3 Performance and Improvement

The Committee reviewed progress against the Carter recommendations in October 2016 together with the Trust's current performance against transactional performance metrics. The Committee was pleased to note the Trust's performance against the NHS Procurement Dashboard metrics and in particular the achievement of Level 1 of the NHS Standards of Procurement. This was the only formal review of procurement performance during 2016/17.

The Hospital Pharmacy Transformation Plan was reviewed in March 2017 and the Committee was pleased to note the Trust's initial submission had been commended as an exemplar in late 2016. The Committee did note however concerns with high levels of prescribing errors and recommended that the Director of Medicines Management and Pharmacy present the actions to minimise these in the future to the Quality and Safety Committee.

The Committee has undertaken the role on behalf of the Board of reviewing compliance with the agency cap during 2016/17 to great effect with performance at year end being circa £1M under the agency cap. The Committee recommended that opportunities realised as a result of reductions in

agency spend feed into the transformation team which supported delivery of the Cost Improvement Programme CIP. The Committee also requested that a report be presented at the April 2017 meeting to outline non-core staff appointment procedures and Trust non-core spend control requirements which could be flagged to the Audit Committee for incorporation in the annual audit plan and the Board.

The Committee has reviewed progress against the Cost Improvement Plan CIP at each of its meetings; this included the revised methodology implemented during the year with the introduction of a 2 to 3 year CIP cycle. The Committee was pleased with progress against the target with the Trust forecast to achieve the £11.2M savings target at the year-end.

The Committee also undertook a strategic overview of the Transformation portfolio for 2017-18 in order to establish the feasibility of future schemes and their deliverability; the project categorisation and key initiatives for each theme and the benefits realisation of both cost improvement and transformational change initiatives. The Committee's attention will be on recurrent savings during 2017/18 and beyond.

The Committee has reviewed at each of its meetings, performance against RTT and A & E Access Targets although it has been acknowledged that the Board in 2016/17 took on a greater role in this regard. The work on cleansing the patient tracking list which commenced in 2016 was monitored by the Committee on a regular basis in order that the Board could be provided with assurance on the progress being made and that performance would be in line with improvement forecasts.
The Committee requested that work be undertaken to identify opportunities to raise the profile of the Clinical Coding Department through its establishment as a centre of excellence as well as exploring collaborative prospects with a view to increasing credibility and/or generating income. The coding team are now playing a key role in driving Trust-wide engagement and education on the new HRG4+ system. This was highlighted by the successful engagement event held in March 17 which included guest speakers from the NHS Digital National Casemix Office.

Through its monitoring of data quality the Committee has stressed the importance of successful implementation of the proposed data quality frameworks to ensure that the agreement of key strategic decisions are based on accurate and reliable information.

The Committee has reviewed a variety of IT progress reports through 2016/17 and in particular in relation to the successful implementation of Wirral Millennium Phase 3 which came to fruition following installation of the Chemotherapy Module at the end of January 2017 and the projects in relation to the Global Digital Exemplar programme.

5.4 Regulation

The Committee reviewed the self-assessment undertaken against the Information Governance Toolkit in March 2017 and the internal audit report which provided "significant" assurance of this process. This enabled the Trust to achieve Level 2 in all requirements for 2016/17.
The Committee has reviewed all submissions to NHSI on a monthly, quarterly and annual basis ahead of recommendation to the Board.

5.5 Governance

The Committee has reviewed and approved the following terms of reference for its supporting Executive Working Groups in 2016/17:

- Transformation Steering Group - February 2017.
- Global Digital Excellence Programme Board – March 2017

The Committee has received reports from all its supporting Executive Working Group throughout 2016/17.

6 Priorities for 2017/18

The Committee will focus on the following priorities for 2017/18:

- Monitoring the achievement of the agree control total for the Trust
- Greater focus on IT benefits realisation as part of the GDE programme
- A review of how the Executive Working Groups that support the Committee work and are constructed
- Performance against a payment by results contract
- Monitoring and achievement of the Transformation Portfolio and Cost Improvement Plan and in particular opportunities identified by the Lord Carter Review
- Improvements in data quality and coding
- The management of the Trust estate

The Committee in April 2017 will review its Terms of Reference to ensure that emphasis on the requirement for assurance is placed on the Executive Working Groups.

Andrea Hodgson
Chair of Finance Business Performance and Assurance Committee

April 2017

Board of Directors	
Agenda Item	7.3
Title of Report	Register of Interests
Date of Meeting	26 April 2017
Author	Carole Ann Self, Director of Corporate Affairs
Accountable Executive	David Allison, Chief Executive
BAF References • **Strategic Objective** • **Key Measure** • **Principal Risk**	Risk 18 compliance with regulatory framework
Level of Assurance • **Positive** • **Gap(s)**	Positive
Purpose of the Paper • **Discussion** • **Approval** • **To Note**	Note
Data Quality Rating	N/A
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken • **Yes** • **No**	N/A

1. Executive Summary

The Board is required annually to update the Register of Interests.

The Board is requested to review the declarations made by the Executive, Non-Executive directors and Senior Management Team and confirm that there are no material conflicts of interest.

2. Background

The Chairman routinely asks Board members to declare interests in relation to agenda items at the start of each meeting of the Board, in order that any conflicts can be identified and managed appropriately.

It is a requirement of the Trust's constitution that the Board maintains a Register of Directors' Interests and makes this available to members of the public, if requested. It is also good governance practice that the Board reviews the register periodically in order to determine whether any Board Members has interests that could conflict with the work of the Board or the Trust.

Board members have recently updated their declarations for the Register of Interests.

All Board members have a duty to disclose new interests as these arise.

3. Recommendations

It is recommended that:

i) the Board reviews the attached register and confirms that there are no declarations that constitute a material conflict; and

ii) the Board continues to undertake a formal review of the Register of Interests on an annual basis.

Wirral University Teaching Hospital NHS
NHS Foundation Trust

Board of Directors - Register of Interests

April 2017

Name	Position	Nothing to Declare	Description of Interest
Michael Carr	Chairman		Alliance House Foundation – Vice Chairman; Institute of Alcohol Studies – Chairman; University of Chester (Review of Effectiveness of the University Council)
Cathy Bond	Non -Executive Director		Trustee for Northwest Cancer Research
Graham Hollick	Non -Executive Director		Aston University - Private Placement Tutor and Skills Coach. C & N Consultancy Services Ltd
John Sullivan	Non -Executive Director		Director and part owner of ICTAN Limited (Management Consultancy).
Cathy Maddaford	Non -Executive Director		Chester University Council –Foundation Member Western Cheshire Bench Magistrate
Jean Quinn	Non -Executive Director	✓	
Andrea Hodgson	Non-Executive Director		Director of Hodgson Associates Ltd CFO Chetwood Financial Ltd
David Allison	Chief Executive		NWLA Board member
Gaynor Westray	Director of Nursing and Midwifery		Fiance is consultant anaesthetist at WUTH Sister is Assistant Practitioner at WUTH Sister is Therapy Assistant as part of ESD at WUTH Sister is Deputy Shop Manager in League of Friends shop
Janelle Holmes	Chief Operating Officer		Husband Anthony Holmes – Senior Manager at Salford Royal Foundation Trust
James Mawrey	Director of Workforce	✓	
Susan Gilby	Medical Director	✓	
David Jago	Director of Finance	✓	

Name	Position	Nothing to Declare	Description of Interest
Paul Charnley	Director of IT and Informatics		Owner/MD of HI4PC Ltd previously used to work as Interim CIO. Not active, waiting for end of Company's financial year to then close down – 31.12.17
Carole Ann Self	Director of Corporate Affairs	✓	
Chris Oliver	Director of Operations		Partner is Head of Communications Appointed as Chief Operating Officer at Mid Cheshire Hospitals from 15th May 2017
Pippa Roberts	Director of Pharmacy and Medicines Management	✓	

BOARD OF DIRECTORS	
Agenda Item	7.4
Title of Report	2016 /17 Annual Equality and Diversity Report
Date of Meeting	26 April 2017
Author	Alison Quinn, Head of Patient Experience Adriana Roscoe, Deputy Head of Human Resources Johanna Ashworth-Jones, Senior Analyst
Accountable Executive	Gaynor Westray, Director of Nursing and Midwifery
BAF References **Strategic Objective** **Key Measure** **Principal Risk**	2, 3
Level of Assurance	**Positives** • Subject to external verification, the Trust has attained 'developing' or 'achieving' against the EDS2 compliance indicators **Gaps** • WUTH has not achieved full compliance with the Accessible Information Standard
Purpose of the Paper	Discussion and To Note
Reviewed by Executive Committee	N/A
Data Quality Rating	Silver
FOI status	Document may be disclosed in full
Equality Impact Assessment Undertaken	N/A

1. Executive Summary

This report details the progress that the Trust is making in order to meet its obligations to advance equality and diversity (E&D) from both a workforce perspective and in its role as a provider of healthcare services.

Included within the report is a brief overview of the Equality Act 2010 and associated public sector duties, in addition to commentary around the following subjects:

- Assessing the Impact of our Services on Diverse Groups

- Engagement Activity with Diverse Groups
- Access to Services for Diverse Groups
- Understanding Experience
- Accessible Information Standard
- Workforce Race Equality Scheme
- Workforce composition
- Training and Development

Also included is the process for developing Equality & Diversity objectives based upon the Equality Delivery System 2 (EDS2), its associated standards and recent assessment results.

2. Equality Act 2010

Under section 149 of the Equality Act (2010), a public sector equality duty was created, which is a statutory obligation for all public authorities. This is defined in legislation as the ***general duty*** and all public authorities must adhere to the following obligations:

- To eliminate unlawful harassment and victimisation and other conduct prohibited by the Act
- To advance equality of opportunity between people who share a protected characteristic and those who do not
- To foster good relations between people who share a protected characteristic and those who do not

The Equality Act 2010 consolidated previous equality legislation into one framework with associated duties for public sector organisations, and introduced the statutory Public Sector Equality Duty (PSED).

Public Sector Equality Duty (PSED)

The public sector equality duty requires public bodies to consider equality in their day-to-day work, in shaping policy, in delivering services and in relation to their employees.

It also requires that public bodies:

- have due regard to the need to eliminate discrimination
- advance equality of opportunity
- foster good relations between different people when carrying out their activities

In addition to the previously referred to **general duty**, there are specific duties which require public bodies to publish relevant, proportionate information showing compliance with the Equality Duty and to set equality objectives. The information that is contained within this report meets the requirement of the specific duties of the PSED.

The Equality Act also defined a number of groups that have protected characteristics, as follows:

- Gender
- Age
- Disability
- Race
- Sexual Orientation
- Religion or belief

- Pregnancy and Maternity
- Marriage and Civil Partnership
- Gender reassignment

3. Equality Delivery System 2 (EDS2)

The Equality Delivery System (EDS) was commissioned by the National Equality and Diversity Council in 2010 and was launched in July 2011. It is a system that helps NHS organisations to provide better working environments, free of discrimination, for those who work in the NHS and to improve the services that they provide for their local communities, while meeting the requirements of the Equality Act 2010. The EDS was developed by the NHS, for the NHS, taking inspiration from existing work and good practice.

It is a requirement of all NHS organisations to undertake and complete an EDS2 self-assessment process. The framework for this spans across a number of indicators and the outcome should support NHS organisations, in discussion with local partners - including local people - to review and improve their Equality and Diversity performance.

The chosen methodology for this year's self-assessment included a two tiered approach, starting with an initial scoping exercise that was undertaken to gather evidence on compliance and to identify any gaps in relation to each indicator. Information was provided by a wide range and selection of staff (including staff side colleagues), with differing grades and roles and from many departments and services within the Trust.

The self-assessment document, describing the indicators and associated evidence was then sent out to provide staff with an opportunity to complete an individual rating before a formal focus group meeting took place that would review the outcome of the survey and provide a confidence level rating. This methodology enabled a wider level of participation and a means for staff, who may not have felt confident in a group setting, to express their views.

The outcome of this year's self-assessment identified some areas of improvement in comparison to last years, which is very positive given the challenges and pressures that NHS healthcare providers are experiencing, both regionally and nationally.

It was acknowledged within the "Inclusive Leadership" section that significant work has been undertaken and progress has been made, with the Director of Nursing and Midwifery, taking on the role of Trust Lead for Equality and Diversity, and with several initiatives and engagement exercises/events being led by the Director of Workforce.

It was very reassuring to note that none of the indicators were classed as "undeveloped" this year and that 12 of the 18 indicators (67%) were rated as "Achieving". Going forward, NHS England and the regional Equality and Diversity Network are exploring the possibility of providing a benchmarking system to help NHS organisations compare their results with others, identify progress and share areas of best practice.

WUTH's self-assessment grading in relation to each indicator is identified in the table below, however it must be noted that these results remain subject to external verification by our key stakeholder partners before this can be confirmed as the final submission.

EDS2 Indicator		Assessment Rating (subject to external verification) Undeveloped/Developing/Achieving/Excelling
Goal 1 - Better Health Outcomes		
1.1	Services are commissioned, procured, designed and delivered to meet the health needs of local communities.	Achieving
1.2	Individual people's health needs are assessed and met in appropriate and effective ways.	Developing
1.3	Transitions from one service to another, for people on care pathways, are made smoothly with everyone well-informed.	Developing
1.4	When people use NHS services their safety is prioritised and they are free from mistakes, mistreatment and abuse.	Achieving
1.5	Screening, vaccination and other health promotion services reach and benefit all local communities.	Achieving
Goal 2 – Improved Patient Access and Experience		
2.1	People, carers and communities can readily access hospital, community health or primary care services and should not be denied access on unreasonable grounds.	Achieving
2.2	People are informed and supported to be as involved as they wish to be in decisions about their care.	Achieving
2.3	People report positive experiences of the NHS.	Achieving
2.4	People's complaints about services are handled respectfully and efficiently.	Achieving
Goal 3 – A representative and supported workforce		
3.1	Fair NHS recruitment and selection processes lead to a more representative workforce at all levels.	Achieving
3.2	The NHS is committed to equal pay for work of equal value and expects employers to use equal pay audits to help fulfill their legal obligations.	Achieving
3.3	Training and development opportunities are taken up and positively evaluated by all staff.	Developing
3.4	When at work, staff are free from abuse, harassment, bullying and violence from any source.	Achieving
3.5	Flexible working options are available to all staff consistent with the needs of the service and the way people lead their lives.	Achieving
3.6	Staff report positive experiences of their membership of the workforce.	Achieving

Goal 4 – Inclusive Leadership		
4.1	Boards and senior leaders routinely demonstrate their commitment to promoting equality within and beyond their organisations.	Developing
4.2	Papers that come before the Board and other major Committees identify equality-related impacts including risks, and say how these risks are to be managed.	Developing
4.3	Middle managers and other line managers support their staff to work in culturally competent ways within a work environment free from discrimination.	Developing

This self-assessment will be used to formulate actions within the overall WUTH Equality and Diversity action plan, which is reviewed and monitored at the Patient and Family Experience Group (PEFG). A full report regarding the EDS2 will be produced following on from external verification.

4. Assessing the Impact of our Services on Diverse Groups

As previously mentioned, a specific requirement of the PSED General Duty is for public sector bodies to consider equality and diversity when delivering its services, shaping policy and in relation to its workers.

An Equality Analysis tool was implemented in 2012 to meet this requirement and to provide a framework to assess the impact of any new policy, strategy or business change in the organisation. The requirement to complete an Equality Analysis was incorporated into the policy development process and in this regard the process is robust. All policies since 2012 are only ratified if there is a fully completed Equality Analysis present for the approving group to consider alongside the policy.

An Equality Analysis is used to assess the impact of Trust policies or practices on Equality Target Groups, also known as groups having protected characteristics, as previously mentioned. Use of the Equality Analysis pro forma ensures that the Trust is fully compliant with the Public Sector Duties defined in the Equality Act 2010.

Undertaking an Equality Analysis is a legal requirement and all staff must be made aware that one must be completed in the following circumstances:

- All new policies
- All policies subject to renewal
- Business cases submitted for approval to Senior Management Team that impact on service users or staff
- Papers submitted to Senior Management Team detailing service re-design or reviews that impact on service users or staff
- Papers submitted to Board of Directors for approval that have any impact on service users or staff

The Equality Analysis Proforma includes guidance notes for completion.

In addition to the standard process for completing an Equality Analysis, a full audit of the 2016/17 CIP schemes has been completed to assess any impact on groups with protected characteristics.

5. Access to Services

Facilities Management

The Trust has a designated Access Champion within the Facilities Department whose role is to ensure that the organisation complies with the provisions of the Disability Discrimination Act 1995 in both its current and future development proposals.

Procurement

The Trust has appropriate processes in place to ensure that potential service providers or contractors can evidence their compliance with the Equality Act 2010 during the tendering process and via the Accessible Information Standard.

Interpretation and Translation

From 1 June 2016, the Trust awarded a contract for a “one stop shop” translation and interpreting services.

The contracted supplier, ITL, provides coverage on most common languages and assists with core language requirements. The company also provides comprehensive coverage for Face to Face Spoken Word, British Sign Language, Telephone Interpretation, and Document Translation.

Foreign languages included within the contract and provided by ITL are Albanian, Arabic, Bengali, BSL, Bulgarian, Cantonese, Czech, Farsi, French, German, Hindi, Hungarian, Italian, Korean, Kurdish, Lithuanian, Malayalam, Mandarin, Pashto, Polish, Portuguese, Punjabi, Romanian, Russian, Sinhalese, Slovak, Spanish, Tagalog, Tamil, Thai, Turkish, Urdu and Vietnamese.

All interpreters/translators are qualified and hold a Diploma in Public Service Interpreting (DPSI) certificate and/or have undertaken and passed a training course that has been assessed and pre-approved as being an acceptable alternative to DPSI/CIC. Spoken word and sign language interpreters are full members of nationally approved registered bodies and all Interpreters are Disclosure and Barring Service (DBS) checked.

The company is able to guarantee a local presence within the Wirral region by recruiting interpreters and translators who are local to the area. This supports service resilience in order to ensure that the Trust’s patients and service users have access to this vital service when it is most needed.

Although there have been cases reported where the service has not met/delivered the quality standards that we expect, the number is low and performance is being monitored more stringently by ITL and the Trust in order to ensure that service users receive a quality driven, responsive service when it is needed by an appropriately qualified interpreter. ITL statistics based on usage for Interpreting and Translation sessions during the last 10 months for 2016/17 are as follows:

Services				Total Sessions
Interpreting	BSL	Telephone	Translation	
921	190	89	4	1204

Table Summary

Trust expenditure on Interpretation and Translation services (April 2015 - March 2016) and (April 2016 – March 2017).

	April 2015- March 2016	April 2016- March 2017
Interpreting Translation Line (ITL)	NA	£38427.12
Action on Hearing Loss	£33501.77	£4106.61
Language Line	£2351.70	£1396.20
Beacon Languages	£59519.43	£19644.07
Wirral Multi -Cultural Society Organisation	£2020	£905
Healthwatch	£240	-
Total Inc. VAT	**£97,632.90**	**£64,779.00**

***Reduction in spend to date - £32,853.90 inc. vat**

Religious and Spiritual Needs

The Chaplaincy Service within the Trust is multi-faith and seeks to support patients, relatives and staff of all faiths, and none. Spiritual services are held in the hospital chapels and Chaplaincy staff and volunteers visit patients and their families whilst on the wards. The Chaplaincy Service will communicate and make referrals to other faith groups and leaders within the community in order to support our patients and their families with individual spiritual needs.

In addition to a chapel on both APH and CGH sites, the Trust has a multi-religious prayer/faith room that is available for staff and patients to use. This facility is currently under review with the option of having one multi-faith facility on the Arrowe Park Hospital site.

The Chaplaincy Service has recently been involved in improving End of Life care for all patients (and their families) within the hospital setting, and has supported significant improvements in this very important area of care delivery with the active participation and involvement of volunteers who have undergone specific training in this subject.

The retirement of the current Chaplaincy Team Leader has led to the recruitment of a new Chaplain who will take up post this summer. Working in conjunction with the NHS England Chaplaincy Advisor, the Trust has shown its commitment to the continuation of service provision that will serve to benefit our patients, their families and our staff.

Accessible Information Standard

The Accessible Information Standard was included as a statutory requirement for NHS Trusts in the Health and Social Care Act 2012. The guidance issued by NHS England in 2015 recommended that NHS Trust should have an a electronic means of recording patient's preferred communication and information requirements, as well as having supportive processes in place to meet their needs.

From 1 August 2016 onwards, all organisations that provide NHS care or adult social care are legally required to follow the Accessible Information Standard. The standard aims to ensure that people who have a disability, impairment or sensory loss are provided with information that they can easily read or understand and with support, so they can communicate effectively with health and social care services.

Table top exercises have been attended by patient and staff representatives, and external key stakeholders in order to support information gathering and sharing, and to map out the actions that are required to achieve implementation. An established steering group reports into the Information Governance Group and CERNER have completed an initial assessment of the capability of Wirral Millennium to meet the required standard.

Local GPs have been notified of this standard and have been asked to inform the hospital for both planned and unplanned admissions when a patient with a known sight, hearing or other disability is known so that the patient can be appropriately supported, with reasonable adjustment actions, including support with accessible information/communication needs, can put in place at the very earliest opportunity.

Although the NHS England directive supported full implementation of the Accessible Information Standard by all (applicable) health and social care providers by end of July 2016, WUTH has not yet managed to achieve this aim. As this initiative is included within the Quality Contract Schedule, Wirral Clinical Commissioning Group has been informed of the progress made, in addition to the delays associated with the introduction of electronic noting.

Access to a much wider range of 'EIDO' easy read documents is currently under review by the Trust's procurement team and this will serve to support implementation of the standard.

6. Engagement Activity with Diverse Groups

We have continued to actively engage with numerous groups across our community, many of whom represent people with protected characteristics. These include the Older Peoples Parliament, Healthwatch (WUTH's link to multicultural stakeholders within the community), Wirral Independent Resource for Equality and Diversity (WIRED - Carers Association), Wirral Mencap and the Alzheimer's Society. The Older Peoples Parliament has a quarterly meeting with the Director of Nursing & Midwifery and this provides an opportunity to discuss any issues arising from their members.

Some of the most prominent activities throughout 2016/17 have been as follows:

- Opening of the 'Information Bank' – a centrally located hospital resource introduced following feedback from key stakeholders, in order to support patients, their families and Trust employees with ease of access to information, advice and support
- Launch of Carers Week at Arrowe Park Hospital attended by the Mayor of Wirral and the Chief Executive
- Supporting the Older Peoples Parliament in its recognition of the United Nations Older Persons Day

- WUTH hosting the Alzheimer's dementia forum at Arrowe Park Hospital

The Trust has maintained and strengthened its excellent relationship with Healthwatch and, in addition to supporting its activity by facilitating 'enter and view' visits, Healthwatch staff now work alongside members of the Patient Relations Team on a full time basis in the Information Bank. Healthwatch, WIRED and the Older Peoples Parliament have standing members on the Patient and Family Experience Group and Trust staff have actively participated with these Groups in local community events. It is acknowledged that further work during 2017/18 should take place to reflect more inclusive, diverse groups that are fully represented with regard to protected characteristics.

7. Understanding Experience

The Trust is committed to ensuring that patients have the opportunity to provide feedback regarding their experience of care, so that the organisation is able to celebrate positive experience and direct improvements towards those areas identified. Since 2010, the Trust has used a questionnaire called 'Learning with Patients' (LWPQ) as one of its main sources of understanding patient experience. Optional demographic data that is included within the questionnaire has enabled the Trust to monitor and determine if there are any variances in experience, according to varied demographical data, including protected characteristics. Unfortunately, there has been a significant reduction in the number of LWPQs returned, as some areas are opting to use the Friends and Family Test (FFT) exit cards, which do not cover the full range of experience related questions that are included within the questionnaire. During 2016/17, approximately 2100 questionnaire were received, compared to around 8500 during the peak period of response in 2014/15. This has impacted on the ability to provide statically robust comparison data for those patients within the Lesbian, Gay Bisexual (n=20) demographical group and the BRM groups (n=15).

Where data allows comparison, patient experience is generally positive and does not show any significant difference between demographical groups, compared with overall WUTH figures. The only area where there is a difference is with regard to those patients who indicated that they had a disability and did not always feel included in decisions about their care and treatment, compared with the Trust's average. This information will be shared with key stakeholders to explore why this perception exists and how WUTH can significantly improve upon this aspect of experience.

		WUTH		Female		Male		BRM		Disability		16-30		31-64		65+		LGB	
		n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
I was involved as much as I wanted to be in decisions about my care and treatment	2011 -12	3499	76	462	70	387	70	36	72	936	90	162	76	1423	80	1432	74	Previous insufficient data to run report	
	2012-13	8435	76	4050	77	2849	77	37	70	2063	71	560	77	4009	78	3538	76		
	2013-14	5368	74	1848	76	1437	73	41	73	1187	67	320	72	764	74	1808	74		
	2015	5385	80	2658	81	1706	80	162	78	1268	74	476	82	2156	82	581	85	47	64
	2016-17	2102	87	944	87	690	88	Insufficient data		479	78	91	84	823	87	966	88	Insufficient data	
My privacy & dignity was maintained when being examined	2011 -12	3430	98	448	98	385	98	40	93	919	97	163	95	1399	98	1398	91	Previous insufficient data to run report	
	2012-13	8307	98	4009	98	2834	99	35	100	2053	98	555	96	3979	98	3494	99		
	2013-14	3954	94	1710	94	1338	94	41	81	1144	93	301	91	616	93	1593	96		
	2015	4523	96	2231	95	1403	96	127	92	1110	93	451	90	1778	95	431	97	45	87
	2016-17	1832	97	836	97	555	96	Insufficient data		446	94	83	96	722	96	804	97	Insufficient data	
I got the care that mattered to me	2011 -12	3291	98	434	97	365	98	33	91	869	97	161	93	1377	98	1333	98	Previous insufficient data to run report	
	2012-13	8021	98	3925	97	2735	99	27	100	1963	97	551	95	3826	98	3335	98		
	2013-14	5376	98	1864	97	1482	99	45	100	1185	97	317	97	761	96	1828	98		
	2015	5487	98	2715	97	1745	98	165	98	1286	96	468	97	2174	97	610	100	50	94
	2016-17	1925	99	848	98	643	100	Insufficient data		431	97	90	98	767	98	878	99	Insufficient data	
I would recommend this hospital to my friends & family	2011 -12	3324	96	434	92	375	95	35	97	885	93	151	95	1374	97	1357	96	Previous insufficient data to run report	
	2012-13	8050	96	3912	95	2763	97	37	89	1982	94	542	93	3885	96	3397	96		
	2013-14	5020	97	1709	96	1322	97	41	98	1114	92	282	95	692	96	1695	97		
	2015	6169	98	2728	97	1721	99	158	98	1292	96	461	97	2159	97	608	99	48	96
	2016-17	2254	97	990	97	711	97	Insufficient data		496	95	89	94	840	97	1037	97	Insufficient data	

8. Workforce Composition (data as at 28 March 2017)

Understanding the workforce composition by equality and diversity demographics is important in order to ensure that we are a fair and open organisation and to monitor the effectiveness of our policies and procedures.

There has been an increase in the workforce numbers from last year's report (5901). The workforce numbers by gender reflect that the largest staff group is nursing, and that this group is predominately female. This is reflective of most NHS Acute Trusts.

Gender	Total
Female	4742
Male	1272
Grand Total	6014

The gender split by band does not reflect any significant issues; however it is encouraging that women are well represented in senior grades with 43% of Managers and Directors being female.

Banding	Female	Male	Grand Total
Band 1	442	104	546
Band 2	1069	278	1347
Band 3	466	115	581
Band 4	313	64	377
Band 5	1027	166	1193
Band 6	660	108	768

Band 7	352	62	414
Band 8A	109	34	143
Band 8B	28	11	39
Band 8C	18	5	23
Band 8D	4	1	5
Band 9	1		1
M&D	237	308	545
Other	16	16	32
Grand Total	4742	1272	6014

In 2014, the NHS Equality & Diversity Council reached a decision to implement a workforce race equality standard within the NHS 2015/2016 contract. The Workforce Race Equality Standard (WRES) was mandated across the NHS in 2015 and all NHS Trusts were required to publish a baseline assessment on their websites. In addition, an annual report is required to be submitted to NHS England outlining progress against the standard.

The WRES is intended to improve the representation of black and minority ethnic (BME) staff in the workforce, especially in senior management and board level appointments. The standard requires NHS organisations to demonstrate progress against a number of indicators of workforce equality including a specific indicator to address the low levels of black and minority ethnic board representation.

The assessment did not show any significant variance for BME staff compared with white staff, with the exception of a higher likelihood of BME staff who have reported personal discrimination in the last 12 months from colleagues or manager/team leader.

In 2015 and 2016, WUTH produced reports indicating its status in relation to each of the indicators. In June 2017, data relating to each of the indicators will be extracted and analysed and progress against the 2016 position will be assessed and published. Work will commence on this exercise shortly, and the resulting reports shared with appropriate committees and publicly via the Trust website.

Ethnicity	Total
Any Other Ethnic Group	29
Asian British	1
Asian East African	1
Asian Mixed	4
Asian or Asian British - Any other Asian background	28
Asian or Asian British - Bangladeshi	6
Asian or Asian British - Indian	191
Asian or Asian British - Pakistani	26
Asian Sri Lankan	3
Asian Unspecified	5
Black Nigerian	2
Black or Black British - African	28
Black or Black British - Any other Black background	2
Black or Black British - Caribbean	4

Chinese	19
defined	1
Filipino	1
Malaysian	1
Mixed - Any other mixed background	7
Mixed - Asian & Chinese	1
Mixed - Black & Asian	1
Mixed - Chinese & White	2
Mixed - Other/Unspecified	1
Mixed - White & Asian	6
Mixed - White & Black African	8
Mixed - White & Black Caribbean	4
Not Stated	104
Other Specified	24
White - Any other White background	58
White - British	5361
White - Irish	44
White English	2
White Greek	2
White Gypsy/Romany	1
White Irish Traveller	1
White Italian	2
White Other European	26
White Polish	4
White Scottish	1
White Unspecified	2
Grand Total	**6014**

The NHS Equality and Diversity Council have recommended that a Workforce Disability Equality Standard (WDES) should be implemented from April 2018, via the NHS Standard Contract (with a 'preparatory' year between 2017/18). This will be similar in content to the WRES, although further guidance is still awaited.

Understanding the actual number of staff within the work force who have a disability is dependent upon disclosure. At present, this information is mainly captured at recruitment and as such, there will be staff who have been employed by the Trust for a number of years who may have, but have not declared, a disability. There is also evidence that people who have a disability are more reluctant to share this information with their employer; this is not restricted to the NHS, but is an issue across employing organisations in general. Preparatory work will commence in the Trust towards the end of 2017 in order to ensure that data relating to disability is recorded in Electronic Staff Record (ESR) for those individuals who wish to provide this information via ESR self-service.

The Trust has appropriate policies and processes in place to support employees with a disability in the workplace. Any consideration for Reasonable Adjustment is managed via Occupational Health and the Trust and when appropriate, utilising the Government's Access to Work scheme to fund any necessary adjustments in the workplace.

Disabled	Total
No	2557
Not Declared	321
Undefined	3055
Yes	81
Grand Total	6014

Disclosure of sexual orientation is a sensitive subject and previously the only way in which this is captured was during recruitment. As with all personal details, staff should be encouraged to ensure that all of their details are correct / updated via ESR self-service.

Sexual Orientation	Total
Bisexual	22
Gay	31
Heterosexual	2948
I do not wish to disclose my sexual orientation	514
Lesbian	18
Undefined	2481
Grand Total	6014

Workforce elements of this paper are included within the Workforce Annual Report which is received by the Trust Board each May (as per Workforce Equality standard).

9. Training and Development for Staff

Equality & Diversity Training is part of the Essential Training Matrix and is completed by staff every 3 years or at Trust Induction. In October 2014, the Trust provided an Equality and Diversity training booklet. Plans to review this booklet and a method for training staff that are coming up for renewal of their training/associated compliance is being undertaken.

10. Supporting Young People into Work

Apprenticeships

The Trust's Apprenticeship programme continues to receive national recognition and has recently been nominated in the HSJ Value Awards in the Learning & Development category which recognises the work it does with young people and in leading this initiative across the region. In the past year the Trust has invested in thirty eight 16-23 year old Apprentices across a range of specialities to support patient care. Individual successes have seen Apprentices progressing into Band 3 roles. All Apprentices benefit from the achievement of attaining Level 2 English and Mathematics, alongside a vocational qualification linked to gaining a permanent post within the Trust, which supports our 'Grow your Own' initiative.

Traineeships

The Trust has supported this programme since October 2013 and in the last 12 months has supported sixteen young people between the ages of 16-24 to enhance their social skills, job readiness, gain experience in the workplace and achieve their Level 2 English and Mathematics qualification. With mentoring and support, one of the Trainees has progressed

into our Apprenticeship Programme working within Theatres as a Clinical Support Worker. In partnership with Wirral Metropolitan College, we have also seen the number of applicants applying for our programme rise and participants gaining employment within the local community. This reflects our Trust's strategy to be 'Locally Focused, Regionally Significant' and helps grow a workforce of the future with skills, experience and values to support themselves and the local community.

11. Key Issues

The EDS2 assessment has identified an improvement in meeting the goals and outcomes required, and feedback from key stakeholders involved in the process will support development of the new Equality and Diversity objectives.

12. Next Steps

- Benchmark performance against other NHS organisations to identify areas for development
- Throughout 2017/18, develop a stakeholder group that reflects our population, including those people whose characteristics are protected by the Equality Act 2010
- Board members and senior leaders to actively engage in equality and diversity initiatives
- Continue to raise the profile of E&D within the organisation, in line with promoting and achieving our Trust's actions, objectives and values

13. Recommendations

The Board of Directors is asked to note this report, discuss its content and accept the EDS2 self-assessment rating.

BOARD OF DIRECTORS

UNAPPROVED MINUTES OF PUBLIC MEETING

29 MARCH 2017

BOARDROOM
EDUCATION CENTRE
ARROWE PARK HOSPITAL

Present

Michael Carr	Chairman
David Allison	Chief Executive
Cathy Bond	Non-Executive Director
Susan Gilby	Medical Director
Andrea Hodgson	Non-Executive Director
Graham Hollick	Non-Executive Director
Janelle Holmes	Chief Operating Officer
David Jago	Director of Finance
Cathy Maddaford	Non-Executive Director
Jean Quinn	Non-Executive Director
John Sullivan	Non-Executive Director

In attendance

Carole Self	Director of Corporate Affairs
Clare Pratt	Deputy Director of Nursing
Jayne Kearley	Member of the Public
Paul Charnley	Director of IT and Information*

Apologies

Gaynor Westray	Director of Nursing and Midwifery

*denotes attendance for part of the meeting

Reference	Minute	Action
BM 16-17/292	**Apologies for Absence** Noted as above	
BM 16-17/293	**Declarations of Interest** None	
BM 16-17/294	**Chairman's Business** The Chairman updated the Board on the recent consultant appointment in critical care and anesthesia, this being Dr Daniel Saul.	
BM 16-17/295	**Chief Executive's Report** The Chief Executive presented the report and highlighted the following areas to the Board: **New Director of Operations and Performance** – the Chief Executive was pleased to announce that Mr Anthony Middleton would be joining the Trust on the 15th May 2017. **Global Digital Exemplar Programme** – the Board was advised that the Trust was fully involved in the programme on a national scale as outlined in the report and that discussions were taking place with those organisations who would like to be included in the "fast follower" programme. Although the	

Reference	Minute	Action
	Board was disappointed that the funding for this programme still not had been received, it was assured that the Trust was still able to move forward wherever possible without incurring expenditure for which funding had not yet been received. **NHS Improvement** – the Chief Executive provided a positive account of the Progress Review Meeting with the new Regional Director and her team at NHSI and in particular the feedback NHSI gave on the performance of the Trust's Senior Team. **Strategy –** the Board was updated on the work with Healthy Wirral Partners and AQuA and the development of an Outline Business Case for elderly care which essentially articulated the Vision with the expenditure and return on investment work still be undertaken. The Chief Executive advised the Board of the ongoing work with Deloittes to progress accountable care and the support on behalf of the Sustainability and Transformation Plan STP that Price Waterhouse Cooper were providing in terms of challenge. **NHS Staff Survey –** the Board formally noted the positive results of the 2016 staff survey which had been previously communicated by Quality Health and to the Quality and Safety Committee. The Board noted the work now being undertaken to develop a Trust wide plan based on the lowest or most deteriorated areas from the survey to drive forward improvements. The Board sought an update on the major incident that occurred over the weekend as a result of an explosion on the Wirral. The Medical Director confirmed that the number of walking casualties in the Trust was low at 17 as all patients with serious injuries were taken to Aintree Hospital. She commended staff for their efforts and of particular note was the number of staff who came into work to offer help who were not "on call"which she thought was very impressive. The Board was advised that there was some learning from the incident for the Trust mainly associated with switchboard which would be reviewed as part of the formal de-brief.	
BM 16-17/296	**Bi-monthly Nurse Staffing Report** The Deputy Director of Nursing presented the Bi-Monthly Nurse Staffing Report which covered the period January – February 2017. She reported that the Trust vacancy rate for registered nurses and midwives in February was 3.63% which was an improvement from 4.45% in December 2016 and well below the national average of 10%. The Board was updated on the recruitment and retention initiatives which included the upcoming local recruitment event; the development of enhanced roles for Band 5 nurses and rotational posts; international recruitment and the enhanced review of exit interviews. The Board was particularly focussed on the 4 International Recruitment events that would be held from July – December 17 and the possible implication of Brexit. The Deputy Director of Nursing advised that other Trusts had seen a number of overseas nurses returning to their native country although this was not currently the case for the Trust. Concerns were expressed about the impact of the changes to the bursary system. The Board sought to understand the learning from international recruitment. The Deputy Director of Nursing confirmed that the main learning was to recruit in small cohorts and support these with mentorships. The additional requirement in relation to the English language	

Reference	Minute	Action
	and written work together with the NMC supporting the registration process was seen as positive steps going forward. The Deputy Director of Nursing outlined performance of Care Hours Per Patient Day CHPPD over the last 6 months advising that the Model Hospital portal had not been updated during this period. The Board received an update on the Red rated areas these being Ward 54 and M1 and was advised that the care was appropriate for the patient acuity and at acceptable levels. The Board sought to understand why these areas were Red rating if the care was appropriate. The Deputy Director of Nursing agreed to review how this information was presented in the future. The Board was updated on the forthcoming acuity review which would enact a change in the reporting of CHPPD as it would include community support workers in the future. The Board confirmed that it was happy to continue to have data presented over a 6 month period however it thought it would be useful if this could be triangulated with the information derived from the internal Care Quality Inspections; the Ward Accreditations, Complaints, Compliments and Incidents. The Deputy Director of Nursing agreed to include this information for wards that were Red rated in month to provide a holistic view of the care being provided. The Board was advised that the number of staffing incidents reported had dropped in January and February 2017, which was significant compared to the same time in the previous year. The Board sought to understand why the number of reported incidents had fallen as it required assurance that this was associated with appropriate action from the Trust and not as a result of some other reason. The Deputy Director of Nursing reported that this was due to the weekly ward rounds and the awareness and engagement work undertaken in relation to the number of ward moves. The visibility of staff guardians was also reported as positive as was the development of a standard operating procedure in critical care for ward moves which had been supported by staff. The Board was pleased with the work undertaken but would keep under review the fall in reported incidents as this was a mechanism reflecting openness and transparency which the Trust did not want to lose.	**CP** **CP**
BM 16-17/297	**Patient's Story** The Deputy Director of Nursing reported upon 2 patient reviews from NHS Choices in December 2016. The first gave credit to A & E staff for delivery of care when faced with what was described as "difficult" patients. The second applauded the care at Clatterbridge Hospital; of particular note was the cleanliness of the ward and the personable and individual care. The Board sought and received assurance as to how negative comments on this site were addressed.	
BM16-17/298	**Report of the Quality and Safety Committee** The Chair of the Quality and Safety Committee presented the report and highlighted the following areas to the Board noting that the Quality Account and the NHS Staff Survey were reported elsewhere on the agenda:	

Reference	Minute	Action
	The Board Assurance Framework – the Board noted the reduction in the risk score in relation to infection prevention and control with was attributed to performance in the management of avoidable C difficile rates despite the hospital being so busy. The Board supported the need to review the quality and safety risk rating following the latest Never Events and the view expressed by Finance Business and Performance Committee that risks be defined in terms of which ones were within the gift of the Trust to mitigate and which ones required support from health and social care economy partners. **Ophthalmology Review** – the Board was advised of the limitations of the recent external review undertaken hence the decision to commission a review from the Royal College of Ophthalmologists which was due to be undertaken in April 2017. The Medical Director updated the Board on the current position within the Ophthalmology service following the decision to suspend the service. She confirmed that assurance had been received which enabled a return to full activity with the exception of laser surgery. The Board was advised that the Trust was not confident that the appropriate supervision was in place for laser surgery and therefore full activity would not resume until this had improved. The Board sought clarity as to whether some of the concerns resulting from the Never Events might be evidence of a systematic concern across the organisation. The Medical Director acknowledged the concern and advised that the quality governance review process would review escalation processes across the Trust as a whole. The Board was advised that the outcome of the quality governance review process would be presented to the Quality and Safety Committee in the first instance ahead of formal reporting to the Board. The Board was pleased to note that compliance against national standards of safety was being reviewed and led by Mr Cliffe. The Board asked the Medical Director to consider whether internal audit should include this work as part of a future audit plan once the initial work had been undertaken. **Workforce and OD dashboard** – although the Trustwide vacancy rates remain low the Committee expressed concerns with the increased rates in Medicine and Acute and the slight increase in sickness rates which was the focus of attention for the Trust. The Board was made aware of the request for further information in relation to grievances as this was deemed high by the Committee **Lampard Review** – the Board was reminded that the Trust had complied with 8 of the 9 recommendations from the review which was originally published in 2015. The Chair of the Quality and Safety Committee advised the Board of the request from NHS Improvement and NHS England to review these recommendations and in particular any areas of non-compliance. The Board reviewed the work undertaken to provide assurance as to the current process for DBS checks and on that basis agreed to maintain its original stance and not support the recommendation to undertake DBS checks on a 3 yearly basis. This was in line with other Trusts. **Health and Safety Q3 report** – the outcome of the Asbestos Report was reported. The report did not highlight any high risk items although there were 3 areas of work that needed to be undertaken which were being progressed. The rise in staff health and safety incidents was reported to the Board as requiring investigation. **CQC Progress Report** – the Board was alerted to the work being undertaken to improve compliance with the standards in the domain of “safe” and to the forthcoming CQC engagement meeting on the 10 April 2017.	

Reference	Minute	Action
	Quality Impact Assessment (QIA) – Cost Improvement and Transformation Portfolio – the Board was pleased to note the improvements to the QIA process which now included post implementation reviews at defined intervals **Clinical Quality Dashboard** –the Board supported the overhaul of the clinical quality dashboard and awaited the outcome of the quality governance review currently being undertaken. **Major Incident Plan** – the Board supported the approval of the plan	
BM16-17/299	**Quality Account Priorities 2017/18** The Medical Director presented the paper which outlined where progress had been made against the priorities set for 2016/17. She reported that with the exception of nutrition and hydration the Trust had some way to progress on these. The Board was reminded that the Trust had traditionally chosen 6 priorities each year and although ambitious these were not being achieved. The Medical Director advised that the Trust need only prioritise 3 and her recommendation in the future that the Trust should aim to achieve 3 or 4 which should enable the Trust to focus on achievement of the quality standard. Appreciating that the Trust had been out to wider consultation on the priorities for 2017/18 already, although the feedback was minimal, the Governors had supported the initial recommendation to retain 5 of the existing priorities for the coming year, dropping avoidable readmissions although this was still be monitored for improvement. The Board discussed the possible reasons for non-achievement and concluded that in part some of this was attributed to the lack of evidence based qualitative and quantitative metrics. The Chair of Quality and Safety Committee highlighted the national focus on learning from deaths reported at a recent conference and sought to understand how the Trust would address this work. The Medical Director advised that learning from deaths was put forward as the local indicator for audit from the Council of Governors at its meeting in March and was the subject of particular focus in the Trust. The Board agreed that if the decision to retain 5 of the existing priorities for 2017/18 persisted, then the priorities for missed medications must include all medications and not just critical ones; that a review of the metrics needed to be undertaken to ensure that a range of qualitative and quantitative measures were included that would be nationally audited wherever possible and that the Trust undertake a review of the methodology for setting priorities which would inform future years. The Chief Executive took the opportunity to update the Board on improvements in the leadership on Ward 26 which provided him with the assurance that concerns expressed in a number of recent complaints were being addressed.	

Reference	Minute	Action
BM 16-17/300	**Integrated Performance Report** • **Integrated Dashboard and Exception Reports** The Chief Operating Officer presented the integrated performance dashboard highlighting in particular the following areas: **A & E 4 Hour Standard –** February performance was reported at 77.64% across ED and the All Day Health Centre and as ED alone at 70.60%. performance for March to date had shown some improvement at 80.61% although it was acknowledged that this was well below the Sustainability and Transformation Fund (STF) trajectory. The Board revisited the areas of concerns that had impacted on performance over the winter period. These related to serious deficiencies with out of hospital care provision as a result of quality issues in the care home and domiciliary care market. The number of medically optimised patients in the hospital was reported at 120 currently despite the number of unplanned escalation beds open. The Board was advised of the significant engagement work being undertaken with partners to ensure that the Better Care Fund was structured and planned in a way to support these concerns. The work being undertaken was confirmed as being reported to the A & E Delivery Board with a further update due on the 23 April 2017. The Board sought to understand how the Trust was ensuring that all the work being undertaken becomes embedded and best practice. The Chief Operating Officer confirmed that the work being progressed with out of hospital care beds was separated from the focus internally on improvement in the Trust. She confirmed that roll out of SAFER was being revisited to ensure compliance and learn from where this was working well and where improvement was required. The Board was advised of the proposals being considered by the Medical Director following discussions with Acute Physicians to invest in an Associate Medical Director role for unscheduled care to provide the necessary leadership for this work. The Chief Operating Officer reminded members also of the work being undertaken in the Trust on bed modelling. The Board sought clarity as to how this work was being undertaken on out of hospital provision. The Chief Operating Officer confirmed that this work was being undertaken and led by partners with the first tranche of this due to be presented on the 20 April 2017. The Chief Executive updated the Board on discussions with the Local Authority Chief Executive in relation to the future use of additional social care funding. He confirmed that the joint planning in this regard would be monitored through the A & E Delivery Board. The Board was pleased to note that this work was underway however because of previous experience it recommended that the Trust articulated clearly that if this work did not show improvement that some of the additional social care funding should be earmarked to pay for additional winter beds. **Referral to Treatment Times (RTT)** – Performance for February was reported at 83.15% against a prediction of 80% following the commencement of the data cleansing work. The Chief Operating Officer confirmed that the situation had now stabilised and that the Trust had agreed the methodology	

Reference	Minute	Action
	to cleanse the 280,000 open pathways on the system, as discussed last month. The Board was pleased to note that the Trust was establishing a RTT Improvement Board with the Commissioner to ensure that all parties were aligned and monitoring improvements. The Chief Operating Officer alerted the Board to 4 breaches of the 52 week wait in February 2 of which had to be externally reported. She confirmed that the root cause analysis into each of these cases was underway. The Board sought assurance as to how the Trust would avoid further breaches whilst the patient tracking list cleanse was being undertaken. The Chief Operating Officer confirmed that a review at 30 weeks was being undertaken which wherever possible allowed the Trust to bring these patients forward to avoid a breach. She advised however that this depended largely on patient choice which had been exercised in a further 4 cases which would result in 2 breaches in April and 2 in May. The Board sought and received assurance that whilst the improvement work was underway the list was not extending to a level that posed further risk. **Diagnostics 6 week wait** - February performance was reported at 99.80% against the standard of 99% with no issues anticipated. **Cancer** – the Chief Operating Officer confirmed that she was not expecting any issues with performance going into Quarter 4. The Board gave praise for achievement of the cancer targets noting that many Trusts were not meeting these. **Infection Control** – 3 cases of C difficile were reported with 1 classed as avoidable taking the total number of reported avoidable cases for 2016/17 to 13 against an annual target of 29. The Board sought to understand whether there was any learning from this work that could be shared more widely in the Trust particularly in relation to leadership. The Chief Operating Officer highlighted the key learning as staff buy-in, clear accountability and the timeliness of robust data. The Board sought to understand whether the improvements previously reported in community paediatrics were being maintained. The Chief Operating Officer confirmed that this was the case and although 3 consultants were in the process of moving from the service this afforded the Trust the opportunity to review how it would deliver this going forward. • **M11 Finance and Cost Improvement Programme Report** The Director of Finance presented the M11 finance and cost improvement report and highlighted the following areas: It was reported that at the end of Month 11, the year to date deficit was £10.9M inclusive of £1.5M of impairments, the normalised deficit therefore was reported as £9.3M this being £7.1M adverse to plan. The key elements to this adverse variance were reported as the non-achievement of the STF target of £2.2M; the non-delivery of the Health Economy Challenge of £3.4M and the continued operational pressures as a result of the health and social care challenges.	

Reference	Minute	Action
	The Director of Finance confirmed that the Trust was currently forecasting to deliver a year end deficit of £10.5M having now agreed a fair shares basis for the cost of step down beds totalling £300K. The Trust's contribution was confirmed at £77K. Cash at Month 11 was reported at £5.7M which was £2.5M above plan. The Director of Finance confirmed that the position was being supported by cash preservation measures, below plan capital expenditure and an additional drawdown of cash from the working capital facility, offset by adverse EBITDA performance. The Board was advised that the total drawdown to date for 2016/17 was £16M with expected full year drawdown of £17.5m Strong performance was reported against the cost improvement plan. The Trust had delivered £10.1M of efficiencies at Month 11 against the target of £9.9M and was forecasting to deliver the 2016/17 target of £11.2M. The Director of Finance reported an overall Use of Resources rating of 3 which was below the plan of 2. The adverse performance was attributed to the non-delivery of the health economy challenge and the loss of STF funding. The Board was reminded that the strong performance against the agency spend cap was preserving the Trust's rating at a 3. The Chair of Finance Business Performance and Assurance Committee (FBPAC) confirmed that the processes and procedures for managing agency spend were well embedded in the organisation and had good senior management support. The concern however was the continued need to open escalation capacity. To avoid complacency with this target, the Committee had agreed that there was some further work to do on the management information and metrics in these areas which would provide further support to the Chief Executive and Chair when signing off the assurance statements. The Board expressed concerns as to the impact next year of the Trust agreeing to a payment by results contract noting that if this had been the case for this year, the Trust would have been £5.0M down on income although it noted that the demand and capacity work had resulted in improved planning. The Director of Finance shared these concerns confirming that the escalation capacity had impacted on the Trust's ability to deliver its elective work as well as being an additional expenditure cost pressure. The Board noted the underlying deficit at Month 11 which was £22.9M reflecting the level of non-recurrent measures deployed.	
BM16-17/301	**Transformation Portfolio and Cost Improvement Programme 17-18** The Board agreed that as this item sought to review the Trust's improved methodology against a commercially sensitive area, that this item would be discussed under the private agenda.	
BM16-17/302	**Budget Approval** The Director of Finance reported that the approval of the budget was	

Reference	Minute	Action
	included with the financial plan submission agreed with the Board, the principles of which had been discussed with the Divisions in October 2016. The Chair of Audit Committee agreed with the principle however she felt that the FBPAC should review the budget at Divisional level to understand the issues. The Chair of FBPAC agreed and recommended that the review at this Committee be undertaken with the Divisions as part of their planned updates. The Board agreed that budget discussions should take place in future at the Assurance Committees. The Board agreed that for future years it should have a specific discussion at its February/March Meeting about the primary budget assumptions and breakdowns, supported by the work undertaken at FBPAC.	**DJ**
BM16-17/303	**Annual review and appraisal of non-financial scheme of reservation and delegations and constitution** The Director of Corporate Affairs presented the update to the non-finanical elements of the scheme of reservation and delegation which had been recommended for approval by the Audit Committee at its meeting in March 2017. The Board approved the documents which had been circulated to members separately. The Board also noted the review of the Trust's Constitution to ensure alignment with the changes to the Standards of Business Conduct Policy and the Fit and Proper Persons Test. For clarity, the Director of Corporate Affairs confirmed that there had been no amendments that would impact on the role of Governors which would have required approval at the Annual General Meeting. The Board was advised that in line with the Constitution, the amendments had been approved by the Council of Governors at its meeting in March 17. The Board approved the amendments which again had been circulated to members separately. The Director of Corporate Affairs confirmed that this would now be published on the Trust's website.	
BM16-17/304	**Annual review and appraisal of standing financial instructions and financial scheme of reservations and delegations.** The Director of Finance presented the financial elements of the scheme of reservation and delegation and standing financial instructions which had been circulated under separate cover to members. The Board was advised that a full review of the changes had been undertaken by the Audit Committee at its meeting in April who had recommended these for approval by the Board. The Chair of Audit Committee advised the Board that part of the recommendation included confirmation as to how the Trust would ensure awareness and understanding by staff which was outlined by the Director of Finance. The Board sought and received clarity on the reference to charitable funds and the role of the Committee. This included clarification of the need for the Committee to approve all items of charitable expenditure above £10K.	

Reference	Minute	Action
	The Board approved the revised standing financial instructions and scheme of reservation and delegation.	
BM16-17/305	**Report of the Finance Business Performance and Assurance Committee** Noting that the Board had reviewed Month 11 financial performance, the following items were highlighted to the Committee: **Board Assurance Framework** – the Committee sought to understand whether the definition of catastrophic impact in the risk management system was appropriate. The Director of Corporate Affairs confirmed that the rating of 5 ie catastrophic was in the main linked to financial concerns above £1M and failure to achieve statutory targets, but recognised that the term itself might be reviewed. **Going Concern Assessment** – The Committee received the draft assessment and requested that the next iteration provide a narrative, which clearly outlined the risks to financial performance identified throughout 2017/18 and the mitigating actions to address them. This would assist the Board with the approval of the assessment. **Non-Core Spend Report** – the Committee received an update on the position against the agency spend cap and the changes to the IR35 legislation regarding employment of non-core staff through personal service companies which would come into affect from 1 April 2017. The Board was advised that the paper presented did not fully articulate the risk to the organisation, so further work was required to ensure that the triggers that individuals might reach needed to be much more visible so that the Trust could seek to transfer its risk wherever possible. **IT Reports** – the Board was advised that all the reports were taken together an accepted.	
BM16-17/306	**Report of the Audit Committee** The Chair of Audit Committee highlighted the following areas not already reported on the agenda of the Board: **Overseas Patients –** although modest in numbers for the Trust, the potential operational impact was reviewed by the Committee of the new arrangements outlined by the government. **Access Targets** – the Board was advised of the likelihood of a limited assurance report on RTT data quality recognising the work being undertaken which should result in a change in the following year. **Nurse Staffing Limited Assurance Reports** – the Board was updated on the clear sensible workarounds implemented in the absence of a fully integrated electronic solution which were now auditable. **Anti Fraud Plan and External Audit Plan** – these were confirmed as approved for the coming year.	
BM16-17/307	**Board of Directors** The Minutes of the Board of Directors held on the 22 February 2017 were confirmed as an accurate record subject to the amendment under minute reference BM16-17/271, this should read “lying and standing” and not “line in	

Reference	Minute	Action
	standing". **Action Log** The Board accepted the action log as presented and noted the following additional updates: **Action 7 –** this was marked as completed as included in the Board report.	
BM16-17/308	**Items for the BAF/Risk Register** None	
BM 16-17/309	**Items to be considered by the Assurance Committees** **Quality and Safety Committee –** to review the quality account priorities and methodology for agreeing these **Finance Business Performance and Assurance Committee –** to review the budget setting process at a micro level with Divisions and how IT were producing management information. **Audit Committee –** to review the 2 limited assurance reports in relation to water safety and IT service continuity.	**SG** **DJ/SG** **CS**
BM16-17/310	**Any Other Business** The Board sought clarity on the communication that had been circulated the previous day in relation to potential IT hardware failure. The Director of IT and Informatics confirmed that this wasn't of significant concern and agreed to challenge his team on how these issues were communicated in the future.	
BM 16-17/311	**Date and Time of Next Meeting** Wednesday 26th April 2017 at 9.00am in the Boardroom, Education Centre, Arrowe Park Hospital.	

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Chairman

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Date

ACTION LOG
Board of Directors
Updated – April 2017

No.	Minute Ref	Action	By Whom	Progress	BoD Review	Note
Date of Meeting 29.03.17						
1	BM16-17/296	Review how compliance with CHPPD and red ratings that had been challenged were reported in the future	**CP/GW**			
2	BM16-17/296	Include information on CQIs, ward accreditations, complaints, compliments and incidents for all wards red rated in month to provide a holistic view of the care provided	**CP/GW**			
3	BM16-17/302	The Board to undertake a specific discussion at its February/March meeting in relation to the primary budget assumptions and breakdowns, supported by the work undertaken at FBPAC	**DJ**			
4	BM16-17/309	**QSC** – to review quality account priorities and methodology for agreeing this	**SG**	**Included on the QSC agenda for May 17**		
5	BM16-17/309	**FBPAC** – to review the budget setting process at a micro level with Divisions and how IT were producing management information	**DJ**			
6	BM16-17/309	**Audit Committee** – to review the 2 limited assurance reports in relation to water safety and IT service continuity	**CS**	**Included on the agenda for April 17**		
Date of Meeting 22.02.17						

7	BM16-17/273	Quality and Safety Committee to review patient safety alert audits as part of its work programme	**CS**		May 17	
8	BM16-17/274	The Board to receive an update on the preparation and plans for 2017/18 in relation to cost improvement and transformation plans	**JH**	**Included on the agenda for March 17 - Completed**	March 17	
Date of Meeting 25.01.17						
9	BM16-17/243	The Board sought clarification on the variation in CHPPD on specific wards which appeared to be out of the range expected	**GW**	**reported at March Board - completed**	February 17	**Due to be reported at March Board**
10	BM16-17/244	The Board agreed that the reporting of Advancing Quality Indicators needed to be strengthened	**SG**		March 17	**Being reviewed as part of the Quality Governance Review**
Date of Meeting 25.05.16						
11	BM16-17/033	Include progress on the implementation of the junior doctors contract as part of the Board Development Programme	CS	**Agreed to defer this until later in the financial year in light of current position**	July 16	
12	BM16-17/036	Full review of the performance report to be undertaken to avoid this becoming unmanageable	JH	**This work will be undertaken as part of the action plan from the well led Governance review. Timescales agreed as end of March 17**		
13	BM16-17/037	Explore the impact of technology when reporting CHPPD in the future	GW		**April 17**	**Update will be provided at March Board**
14	BM16-17/040	Board to continue to receive CQC updates until the next inspection on a quarterly basis	SG	**Ongoing**	February 17	
Date of Meeting 30.03.16						
15	BM15-16/297	Present the Medical Engagement Strategy	EM/JM	**This work is underway and will be progressed further now the new Medical Director is in post**	May16	

16	BM15-16/299	Update on the number of discharges before noon as a result of the SAFER roll out	CO	**Ongoing**	April 16	**Review of SAFER during March & April, supported by Transformation Team. To report May 2017**