

# Annual Report and Accounts 1 April 2015 – 31 March 2016





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of the National Health Service  
Act 2006**

**Wrightington, Wigan and Leigh  
NHS Foundation Trust  
Annual Report and Accounts  
1 April 2015 – 31 March 2016**



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# Performance Report



## Review of the Year

Welcome to the review of the year ended 31 March 2016. This has been another roller coaster 12 months and we are very proud of a number of impressive achievements.

## Overview

We have had the privilege of receiving many distinguished visitors who have wanted to understand how WWL has been so successful, particularly in staff engagement, organisational culture and all round performance. It has also been an exceptionally difficult year, especially financially, as the Trust, like the whole of the NHS, has fallen into significant deficit. The highlights of the year fall under four main headings: quality, performance, investment and awards. The financial results are set out on pages 52 to 56.

Quality has been the Trust's strategy and top priority for many years and it is good to see a further reduction in avoidable harm. We went the whole year with zero cases of MRSA; there were just 12 Clostridium *Difficile* Infections, 5 of MSSA and 14 of E coli. We had 19 serious falls, zero Never Events, one Ventilator Associated Pneumonia and zero Central Line Infections. This gives a total of 53 avoidable serious harms compared to 73 in 2014/15 and no less than 464 in 2007/08 when we first started our campaign to 'Halve the Harm'. This is a truly remarkable measure of long term, sustained, quality improvement.

The Trust has also continued its excellent performance against almost all major targets with consistent success against national waiting times targets for investigations, surgery and cancer care. In a year when the vast majority of Trusts struggled to meet the 4 hour waiting time target in A&E, we too have missed this objective in the final two quarters of the year. However at 95.08% for the whole year, we are one of very few to hit the target overall. This is thanks, not just to our wonderful A&E team, nor just to many staff throughout the Trust involved in acutely sick patients but it is a tribute to partnership working across the health economy, and in particular to the CCG, Bridgewater Foundation Trust (FT), 5 Boroughs Partnership Foundation Trust and Wigan Adult Social Care department.

It was another year of major capital investment as the Trust spent a further £15.1m on improving facilities and equipment, including two enormous projects. Firstly, five years of planning and construction finally came to an end with the opening in December 2015 of the Phase One Hospital at Wrightington. This wonderful facility offers state of the art operating theatres and the most up-to-date patient accommodation. Secondly, we continued our programme of investment in a new Hospital Information System (HIS) which will begin to come on stream in 2016.

The Trust and its employees continue to win national and regional awards with notable successes for The Trust's Quality Champions programme which also continues to thrive, with over 250 members of staff now trained and designated with Bronze badges. Members of staff achieved 21 new Silver badges for sustained and measurable quality improvement, whilst 3 achieved new Gold badges, for projects which had been taken up regionally or nationally.

I would like to conclude this introduction with a big thank you to so many people who contribute to the success of this extraordinary organisation. Particular thanks go to GPs and Wigan Borough Clinical Commissioning Group (CCG) who work in close partnership with us to sustain the viability and excellence of all local health services. Thanks also to our wonderful group of Governors who are unpaid and generously give their time in overseeing our Board and our strategy. Finally, thanks to our staff and volunteers who continue to provide the most extraordinary and hugely appreciated one-on-one care to patients and their families when they are at their most vulnerable. The NHS is a great institution and WWL tries to offer outstanding services and personal care to all.



**Andrew Foster**  
Chief Executive

## Statement of Purpose and Activities

Wrightington, Wigan and Leigh NHS Foundation Trust (WWL) was established as an NHS Foundation Trust in December 2008 and is the provider of acute hospital services to the people of the Wigan Borough and surrounding area. We provide district general hospital services for the local population of over 318,000 and specialist orthopaedic services to a much wider regional, national and international catchment area.

There are 4,947 members of staff, all of whom play their part in delivering high quality, safe and effective patient care from the following facilities:

#### Royal Albert Edward Infirmary

Our main district general hospital site, located in central Wigan, that hosts our Accident and Emergency Department

#### Wrightington Hospital

A specialist centre of orthopaedic excellence

#### Leigh Infirmary

An outpatient, diagnostic and treatment centre

#### Thomas Linacre Centre

A dedicated outpatient centre in central Wigan

#### WWL Eye Unit

A specialist Ophthalmology unit in central Wigan

We continue to demonstrate considerable success in improving quality. The 'Quality Accounts' section of this annual report provides much more detail on the ongoing quality improvements we are achieving.

## Mission, Vision and Strategy

Service quality remains a key factor that influences patient choice when selecting a care provider and is, therefore, vital to our ongoing success as a Trust. Following discussions with staff, our Council of Governors and patients, we have adopted a mission, vision and strategy that reflect our strong commitment to quality:

#### Mission

To provide the best quality healthcare for all our patients'

#### Vision

To be in the top 10 per cent for everything we do'

#### Strategy

To be safe, effective and caring

Patient safety always remains our highest priority of all.

## Facts and Figures

For the period 1 April 2015 until 31 March 2016:

| Number of Referrals |                |
|---------------------|----------------|
| From GPs            | 83,215         |
| From Other sources  | 87,050         |
| <b>Total</b>        | <b>170,265</b> |

| Inpatients                |               |
|---------------------------|---------------|
| Elective/planned activity | 7,333         |
| Day cases                 | 41,274        |
| Non-elective admissions   | 30,893        |
| <b>Total</b>              | <b>79,500</b> |

| Outpatient Attendances |                |
|------------------------|----------------|
| New appointments       | 106,056        |
| Follow-up appointments | 285,012        |
| <b>Total</b>           | <b>391,068</b> |

| Accident and Emergency Attendances |               |
|------------------------------------|---------------|
| New patients                       | 86,506        |
| Unplanned re-attendance            | 3,575         |
| <b>Total</b>                       | <b>90,081</b> |

| Walk-in Centre Attendances |               |
|----------------------------|---------------|
| <b>Total</b>               | <b>15,542</b> |

| Number of beds (as at 31 March 2016)             |            |
|--|------------|
| Royal Albert Edward Infirmary (RAEI) – Inpatient | 372        |
| Royal Albert Edward Infirmary (RAEI) – Daycase   | 67         |
| Wrightington Inpatient                           | 52         |
| Wrightington Daycase                             | 57         |
| Leigh Inpatients                                 | 20         |
| Leigh Daycase                                    | 51         |
| Intensive Care for Neonates                      | 14         |
| Intensive Care for Paediatrics                   | 2          |
| Intensive Care Adult                             | 22         |
| Maternity  | 28         |
| Boston House                                     | 12         |
| Private Patient Ward                             | 16         |
| <b>Total</b>                                     | <b>713</b> |

## Awards Success 2015/16

During 2015/16, the Trust had amazing success in winning a number of national, regional and local awards including:

## National Award Wins

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September 2015

HSJ (Health Service Journal) Value in Healthcare – Pathology at Wigan and Salford (PAWS) won in the “Value and Improvement in Pathology Services” category

## Regional and Local Award Wins

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June 2015

Hospital Caterers Association (NW) Annual Catering Awards – Jane Cavanagh won the Sandra Heyes Memorial Award, for her tremendous contribution in NHS catering.

November 2015

Greater Manchester Clinical Research Awards – Dr Chandra Chattopadhyay won a ‘Lifetime achievement’ award

Healthcare Financial Management Association NW – The Finance Department won the Financial Management Association (HfMA) Sue Rossen prize for the North West area

## Highly Commended or Commended

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September 2015

West Lancashire Design Awards – The new Assisted Conception Unit at Wrightington Hospital was commended in the Commercial Category

November 2015

The Trust’s Business Intelligence Team was highly commended for their A&E Dashboard system in the Excellence in Healthcare Business Analytics category

Numerous departments and individuals from across the Trust were also shortlisted for these and many **other awards**.

QlikView - Access:Point

Web Slice Gallery

PULSE\_V3.qvw

Back Forward Lock Unlock Search Bookmarks Current Selections

Dashboard A&E Live Live Forecast Admissions / Discharges Attendances 4 Hour Performance

# A&E Live

**45**  
Attendances

**0%**  
**0**  
Breaches

**01:31**  
Hours Mins  
Average Patient Wait

**03:41**  
Hours Mins  
Longest Patient Wait

Today (From Midnight)

**150** **351**

**99.3%** **1** **34**



4 6 8 10 12 14 16 18 20 22 24

| Number in<br>at now | 4 Hr Breaches | Reattenders | Longest<br>Patient Wait | Next 4 Hr<br>Breach Time | Time till Next<br>4 Hr Breach | Longest Time<br>from DTA |
|---------------------|---------------|-------------|-------------------------|--------------------------|-------------------------------|--------------------------|
| 45                  | 0             | 3           | 00:07                   | 17:53                    | 00:47:19                      | NA                       |
|                     | 0             | 0           |                         |                          | 01:55:50                      | NA                       |



## Our Clinical and Quality Strategy

The Trust's vision, mission and strategy are encapsulated in the WWL Wheel. It outlines our priorities for the future and emphasises our commitment to quality, putting patients and our values at the heart of everything we do.

Our vision is to be in the top 10% for everything we do. In order to realise this vision it is essential that a culture of continuous quality improvement becomes embedded in the organisation and that we build on the capacity and capability of our staff to deliver this.

The WWL Wheel has been developed to provide a visual representation of our objectives which all staff will recognise and relate to.

Whatever our job, delivering a high quality service is our first priority. Service quality is the single most important factor for patients when they are choosing where to go for care and treatment and is therefore critical to the success of the Trust.

The WWL Wheel is designed to make our strategy simple and easy to understand. It is about what we do and how we do it.

The Wheel has been designed as a lasting framework which will help us to communicate our future plans and measure our performance. It recognises the importance of engaging with staff to help shape and achieve our aims and objectives. It gives us a simple framework to support staff development so everyone can understand how they can play their part in achieving the Trust's aims and objectives.

At the centre of the Wheel is our strategy for quality which is to be:

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### Our Mission

To provide the best possible health care for all our patients

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### Our Vision

To be in the top 10% of everything we do

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### Our Strategy

To be safe, effective and caring

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### Safe

Which means it is our job to protect patients against harm in the hospital

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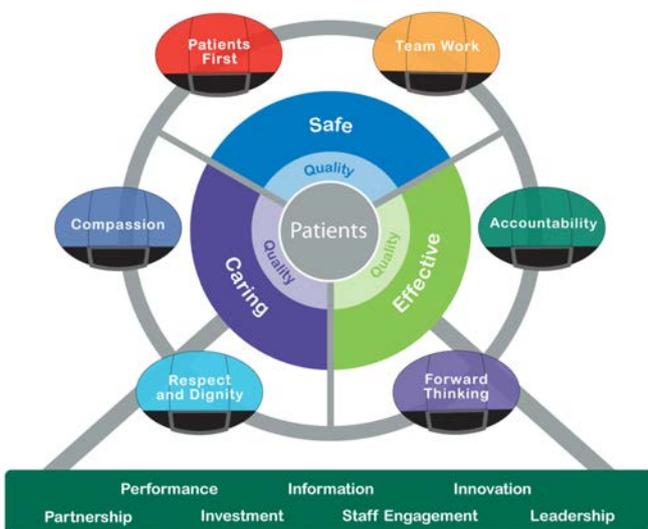
### Effective

Which means it is our job to treat patients efficiently with good clinical outcomes

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### Caring

Which means it is our job to care compassionately for patients and to meet their personal individual needs



## Quality Champion Committee

During 2015/16 the Quality Champion committee continued to receive presentations on the progress of the myriad of quality projects taking place in the Trust. The Quality Faculty is made up of Quality Champions, from a range of disciplines, who champion the vision and lead on quality initiatives.

The Quality Champion Committee reports to the Quality and Safety Committee via minutes and reports, detailing the progress of quality champion projects that have led to improvement in patient care.



# Corporate Objectives for 2015/16

## WWL Annual Corporate Objectives 2015/16

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### Performance

- To achieve at least a 5% improvement on all Safe, Effective and Caring metrics, where possible, compared to 2014/15 performance.

However, the Trust has maintained or improved performance in 11 of the 12 metrics measured by the Trust to support this corporate objective and deteriorated by only 2.13% in the remaining metric.

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### Innovation

- For 2015/16 ensure all staff are fully engaged with the Hospital Information System (HIS) implementation programme.
- All service lines have the opportunity to provide innovation ideas at least twice a year.

Achievement of this corporate objective was put on hold during 2015/16 to concentrate on HIS implementation. Plans to ensure that services lines have the opportunity to provide innovation ideas are underway in 2016/17.

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### Leadership

- To have 100% Band 7+ staff completing the Leadership Values Questionnaire (LVQ) prior to the 2015/16 PDR cascade.

A new approach to using the LVQ has been agreed. The LVQ 360 feedback tool will be used as part of a wider development process for staff on leadership programmes or aspirational career development programmes rather than being mandated.

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### Information

- To reduce the overall number of Information Commissioner Office complaints by 5% and to have a live Borough wide dashboard in place by Quarter 3 of the financial year.
- To have a live Borough wide dashboard in place by Quarter 3 of the financial year.

'Wigan Live!' dashboard was live in 2015 and continued to be refined with further information added. The dashboard includes information on urgent care, residential/nursing home care and community care.

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### Staff Engagement

- To score an average of at least 75% positive in the pulse check scores.

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### Investment

- To agree a financially balanced capital investment plan for 2015/16 and spend within 15% of plan.
- To complete Wrightington Phase 1 by February 2016.

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### Partnership

- To have developed a viable North West Sector single service implementation plan by Quarter 3 of the financial year, including balanced activity assumptions and to agree Wigan-wide integrated care assumptions by Quarter 2.

A legal challenge to the decision of the Committees in Common to rationalise general surgery in four high risk centres across Greater Manchester resulted in a temporary pause in this programme. Delays were outside of Trust control. This objective has been rolled forward into 2016-17.

- Achieved
- Not achieved

## Key risks in 2015/16

The key risks identified from the Corporate Objectives during 2015/16 included:

- Failure to meet all of our performance and financial targets in full every month, leading to potential Monitor intervention
- Failure to negotiate a successful service model with neighbouring Trusts that would meet the requirements of the Healthier Together programme, resulting in loss of significant surgical services
- Failure to achieve the cost improvement target, resulting in a reduction in the capital investment plans going forward

## Our Strategy Looking Forwards

As we move into 2016, the Trust has reviewed its forward strategy. The strategy has been set against 10 key measures within the new corporate objectives as described below:

### Corporate Objectives

- 1 Be in the top 10% nationally for all performance league tables
- 2 Jointly with the CCG, develop a locality-based transformational, integrated care and finance plan, including a 3-year financial plan for the Trust which meets Carter and sustainability fund requirements and is focused on patient benefits by Q2
- 3 Establish a Vanguard Group with SRFT by Q4 with clear plan, governance arrangements, tangible benefits for patients and new group members
- 4 Develop a WWL GM devolution plan focused on patient benefits by Q4
- 5 Implement HIS successfully by April 2017, within budget, delivering benefits and with mitigated risks to patient care
- 6 Score at least 85% in the "staff would recommend WWL as a place to work" pulse check and survey question

- 7 Ensure that 100% of patient safety incidents triggering Duty of Candour requirements are notified to the relevant person within ten working days
- 8 Reduce variation leading to unnecessary delay from patients admission to discharge by 50%
- 9 Promote a culture of innovation incorporating an innovation 'hub' and access to a £200k fund targeted at improving value for patients within 24 months
- 10 Design and accredit an asset-based programme of leadership and succession planning by Q3 which is aligned to the Vanguard and Locality Plans, promoting efficiencies, empowerment of staff, patients and service users

### Objectives delegated to Board Committees and included on Board Assurance Framework

- Achieve Zero points on the Monitor (NHS Improvement) Compliance Framework
- Achieve a quarterly and full year FSRR of 3; achieve a surplus of £3.7m; maximise access to NHSE funds; return to underlying balance by Q4
- Achieve HSMR of no more than 87 and SHMI of no more than 100

## Key risks in 2016/17

The key organisational risks for the year are set out within our Board Assurance Framework. These include:

- Failure to meet all Monitor Compliance Framework targets resulting in risk to Licensing
- Failure to achieve the cost improvement target resulting in non-achievement of the planned surplus and the return to underlying financial balance

### External factors

We continue to face the challenge of changes in local and regional commissioning plans by Wigan Borough CCG and the Greater Manchester Devolution programme. We continue to collaborate with Salford Royal and Bolton NHS Foundation Trusts on the North West Sector

solution to deliver the standards set by Healthier Together. Collaborative work also continues with Salford Royal NHS Foundation Trust to deliver a Vanguard Group.

Throughout 2015/16 we have continued to build on our record for successful collaborative working and continue to have successful partnership working with Bridgewater Community NHS Foundation Trust and The Five Borough Partnership NHS Foundation Trust.

## Performance Analysis

The next section of this report provides a detailed overview of how the Trust has performed during 2015/16.

## Service and Site Investment

During the past 12 months, we will have invested £15 million into Service and Site Investment projects. This capital expenditure means that we would have invested close to £65 million in the Service and Site programme since its inception in 2011/12. We are very proud of the progress that has been made in the improvement of our clinical facilities, which have been specifically designed to ensure that our patients receive the highest possible standard of care. Some of the more notable developments over the past 12 months are noted below:

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### Wigan Site

Theatre modernisation - £1.22m has been invested to upgrade two of our theatres on the Royal Albert Edward site. The project has been undertaken to replace the ventilation plant in theatres 3 and 4 and also to provide theatre 3 with the latest specification of laparoscopic equipment, which will allow for more minimally invasive 'key hole' surgery to take place.

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### Wrightington Site

Phase One Development - our new £18 million facility opened in December 2015. It provided:

- Four new theatres
- Two new 28-bed wards
- New Admissions unit.

Designed to the highest possible specification, the new unit has already been attracting positive interest from the Dept. of Health, which led to a visit from the Secretary of State for Health, Rt. Hon Jeremy Hunt MP (pictured below)

Assisted Conception Unit – this new £1.4m development was completed in partnership with our colleagues from the Liverpool Women's Hospital NHS Foundation Trust and was officially opened in October 2015.

Site rationalisation projects, to remove redundant building stock from the Wrightington site, have continued through the year and this programme will continue through the whole of 2016/17.

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### Leigh Site

Cardiology Outpatients - the Cardiology Outpatient suite was completed in April 2015. It has greatly improved the accessibility to our cardiology team, as Leigh residents no longer have to travel Wigan to receive assessment and diagnosis.

We have made significant investment across all three sites over the past 4 years and we are very keen to ensure that this progress is maintained in 2016/17 and beyond.





## Specialist Services

### Summary

2015/16 has been, on the whole, a very successful year for Specialist Services. Despite significant pressures and periods of change within all specialties, performance against clinical and operational targets has been very good, with particular highlights within the trauma services and cancer, where we continue to perform well against local and national targets.

Finances have been challenging for Specialist Services, with expenditure the main area of concern. We have however performed well against income targets, although non-elective and outpatient activity has reduced in the year. We are committed to achieving financial balance, with a focus on improving patient processes and experience to drive efficiency.

We are committed to putting the patient at the heart of our services and as such are working towards a divisional strategy for ensuring a positive patient experience. We continue to achieve over 97% compliance with the Safety Thermometer and Nursing Clinical Indicators, which monitor a number of nursing measures to ensure safe, effective, care. We have achieved over 98% compliance for patients having a venous thromboembolism (VTE) assessment on admission to hospital. Specialist Services is committed to engaging with our patients and working with everyone who uses our services to ensure a positive patient experience. The success of this has seen a 13.2% decrease in formal complaints received compared to the same time period 2014/15, demonstrating that we are dealing with patient concerns more efficiently and in a timely way. Themes and trends are analysed and discussed at the Divisional Quality Executive Committee where improvements are monitored. We have reviewed the way we handle complaints and now undertake a 'caring contact', whereby complainants are contacted directly by the Case Manager or Governance Office to offer an apology, support and assurance of a full investigation into their concerns and an assurance that lessons will be learnt.

### Trauma and Orthopaedics

2015/16 has been a challenging but overall positive year for the Trauma and Orthopaedic Directorate. Elective orthopaedics has continued to perform well against all patient access and performance targets, despite various operational challenges, including technical faults within theatres, and a flood within the Upper Limb unit.

In December 2015, our team moved into a new state of the art building, complete with new single room wards for patients and modern 'barn' theatres. The move was hugely successful and staff and patients are delighted with the new environment. The focus for the coming year is to ensure our processes and procedures are smooth and patient focused.

The Trauma Service also had a positive year, with the introduction of ring fenced beds for fractured neck-of-femur patients. This has meant that these patients are now admitted to an orthopaedic ward within an average of 4 hours from arriving in the Accident and Emergency Department (A&E), in line with best practice guidance. Re-admissions on the acute site decreased by 50% in the year, demonstrating a significant improvement in patient outcomes, the result of targeted work by the clinical teams.

### Rheumatology

2015/16 has been a challenging year for the Rheumatology service with regards to capacity pressures and service redesign. Despite this, consistently high staff engagement scores have been achieved. Our staff members are extremely positive and dedicated to continued improvement of services.

The main challenge for us is to address the follow-up patient backlog; to help address this, a new substantive Consultant has been appointed and funding secured for a third consultant.

We are working with the local Clinical Commissioning Group (CCG) to redesign the Rheumatology outpatient service to offer support for both GPs and patients in the local community. In addition to this, the local CCG are implementing a shared care arrangement with the local General Practitioners (GPs) to facilitate blood monitoring and prescribing in the community.

### Radiology

Once again, the demand for Radiology examinations has increased compared to the previous year, particularly in ultrasound and cross-sectional imaging where demand for magnetic resonance scanning, for example, has seen significant growth. Despite this increase in demand, access remains within the diagnostic target and the time taken to report the examinations continues to fall.

## Outpatient Services

A major review of the Outpatient facility on the Wrightington site has greatly improved processes and also the physical environment. This has improved the start times for clinics and reduced waiting times and bottle necks in patient flow. Patients are now being offered pre-operation assessment on the same day as their outpatient appointment, which means less return journeys for patients and faster access times for day of operation.

The nursing team at TLC working closely with the surgical team have continued to ensure the one-stop breast clinics have been a success; patients are treated in the right place with speedy diagnosis and access to all relevant support services.

A dedicated waiting area for dementia patients and their families/carers has been created at TLC; this provides an area with walls displaying historic pictures of the local area, separate from the main waiting area.

## Dermatology

Our Dermatology team have been selected by the local CCG as the Dermatology provider for the area. They will work closely with the CCG to redesign the Dermatology service to offer clinical services in both the hospital and community setting.

The demand for Dermatology services has continued to increase, particularly from out of area referrers.

## Plastics

We work closely with the St Helens & Knowsley Trust (STKH). A plastics consultant provided by STKH works within the Dermatology unit giving a seamless pathway for skin cancer patients. This one-stop service agreement has been renewed and will continue to develop in the coming year. It is the intention to progress our plastics service by increasing outpatient and theatre capacity, thereby improving the patient experience by having surgery closer to home.

## Cancer Services and Oncology

January 2016 marked twelve months of the Cancer Care Centre being open and we have been able to gradually increase the number of patients who are receiving their chemotherapy closer to home. We now have a number of small outpatient clinics added to our portfolio and these are for patients who have their treatment here at Wigan.

The centre is very successful and the patients are benefitting from the new and bright surroundings; this is shown through the results from our latest chemotherapy questionnaire.

There have been over 3,000 visitors to the Macmillan Information and Support Centre who have benefitted from a range of advice given by the assistants. There have also been a number of Macmillan grants that have been awarded to patients.

The Centre also provides a number of complementary therapies for patients and their families and we run a 'look good feel better' programme bi-monthly.

Additionally, we have celebrated the arrival of our new garden sculptures which were delivered in November and have been appreciated by all.

The official opening for the new Centre will be in April 2016.

## Medicine

### Clinical Governance

2015/16 has been another positive and encouraging year for governance within Medicine. We continue to promote learning from complaints and incidents through changes in practice, policy and education of staff. Key learning points are shared with staff via speciality and divisional governance meetings and at the monthly audit meeting to ensure that the learning is shared widely. This is reflected in the reduction by 19% in the number of formal complaints received in the first three quarters, compared with the same period last year. Alongside this has been an increase by 21% in the number of reported concerns which have been dealt with quickly and informally and addressed to the patients' satisfaction. Patients and their carers are encouraged to ask questions and raise any issues they may have and the figures for this year suggest that this has been beneficial in improving the patient experience and dealing with any issues or problems promptly. Our improved patient experience scores, including the Friends and Family Test, support the fact that the promotion of an open culture is reaping benefits for our patients and their satisfaction levels.

Staff are encouraged to report incidents and this has improved again this year, rising by 23%, providing us with further opportunities to identify risks, improve safety and share learning. To support this, more nursing and medical staff have undergone training to be able to investigate and manage incidents. Clinical engagement is key and each specialty has a clinical governance lead consultant who is responsible for identifying and sharing the lessons and driving improvements in their areas.

### Unscheduled Care

The vast majority of Acute Hospital Trusts across the country have experienced continued pressure across the urgent care system in 2015/16. We are no exception; however, unlike all the Trusts in Greater Manchester, we are performing better than at this time last year and are the only Trust to be achieving above the 95% 4 hour target.

We were selected as one of 7 Trusts to pilot 7 day services and, to support this initiative, 38 additional posts, including 3 additional A&E consultants and 3 acute physicians have been recruited. Following implementation of 7 day services, there has been a reduction in the level of readmissions within 30 days of discharge, a reduction in the number of non-elective admissions and an increase in the number of weekend discharges.

We are under no illusion that the pressure on unscheduled care will continue, but feel that together with our partners across the health economy, we are well placed to provide a safe and effective service for our patients.

### Scheduled Care

Throughout 2015/16 the outpatient aspects of scheduled care have focused on meeting a specified ratio of first to follow-up appointments set by Wigan Borough CCG and based on National average 'Better Care Better Value' indicators, whilst keeping patient access times within timeframes acceptable to patients, all within another year of increased referrals from GPs. We have met such targets in all but one of the specialities - a specific patient cohort within Chemical Pathology. We have entered into discussions with Wigan Borough CCG to exclude this from future ratios, due to the specific nature of the treatment.

Continuing with a focus on outpatients, we have worked closely with Wigan Borough CCG on three redesign projects. These aim to ensure that, where appropriate, patients are managed within the community, either by their GP or nurse practitioners, with the result that access times to specialist consultant led clinics at the Acute Trust are kept as low as possible. The three projects cover the management of Type 2 and stable Type 1 Diabetic patients, access to Cardiology diagnostic testing and management of certain respiratory conditions. Whilst the latter two projects are only in their infancy, and designed pathways are yet to be agreed, the 'Community Diabetes Service' has been through a formal tender process and has been awarded to a joint bid between ourselves and Bridgewater Community Healthcare NHS Foundation Trust. The next stage of the process is to agree a safe and timely transition of patients from the acute Trust to the community delivered service, which will include the upskilling of GPs.

Many of the services within scheduled care have seen another increase in referrals, for example, the Respiratory service, which has seen an increase in both outpatient and endo-bronchial ultrasound demand. To assist both in the management of such demand and maintain patient flow on the acute site, we trialled a joint Consultant post between Acute and Respiratory Medicine. The trial was deemed a success in that we were able to manage the increased demand, give access to patients in the North West of the Borough and attract out of area referrals through the commencement of an outpatient clinic at Wrightington Hospital. As such we are looking to make the role permanent.

## Rehabilitation & Elderly Care

The Directorate has expanded once again this year to include the Trusts Phlebotomy Service, which works across all our current Hospital sites and at a variety of community based locations. Taylor Ward at Leigh Infirmary and the Acute Stroke Unit based at the Royal Albert Edward Infirmary (RAEI) are now established as part of the Greater Manchester (GM) Neuro-rehabilitation and Stroke Operational Delivery Networks, working with other GM providers to improve the services for our patients. We have continued to utilise joint commissioning group funding to continue the Community Hospital Beds at Westwood Lodge Nursing Home in Wigan and at Bedford Care Home in Leigh. A multi-agency improvement group with Wigan Borough Clinical Commissioning Group, Wigan Council, the Trust and representatives from Westwood Lodge was established in August 2015 to develop a joint improvement plan addressing concerns raised by the Care Quality Commission about Westwood Lodge. The aim of these 40 nursing home beds is to support the discharge of adults from acute hospital beds who are medically discharged but not yet able to manage in their own home environment and those patients who require additional support or assessment prior to their transfer to a final discharge destination, but are not clinically appropriate for secondary care. Our therapy services at Wrightington and RAEI are now into their second year of 'seven day working' and the feedback from our staff and patients has been overwhelmingly positive. The Elderly Care consultants continue to work alongside our community teams to implement a pro-active model of case management and advanced care planning to help prevent unnecessary hospital admissions and facilitate patients and families to discuss end-of-life choices.

## Surgery

2015/16 has been another extremely productive year for Surgery, with a number of key successes and developments across the year.

Collaboration with Salford Royal and Bolton Foundation Trusts through the Healthier Together North West sector has started; models of care and common surgical pathways for high risk non-elective surgery are being developed.

We have continued to see more patients in a shorter time. We have continued the trend to move as much work as possible out of the acute theatres and ward beds through use of theatres at Leigh, increasing our day-case rates as well as moving some work, previously performed in theatres, into an outpatient setting. This is more evident than ever now with the transfer of some overnight cases from RAEI as part of the work being undertaken to provide a state-of-the-art laparoscopic theatre.

The new Assisted Conception Unit (ACU) based at Wrightington opened at the end of March 2015 with development and marketing of the service being actively pursued.

Two major projects have been undertaken, the upgrade of Theatres 3 and 4 and a major shutdown on critical care to deliver urgent maintenance.

Surgery expanded this year with the arrival of a new Interim Deputy Director of Operations. Also joining were a new Directorate Manager, Theatre Matron and two new Clinical Directors. A number of new consultants joined replacing those that have now retired or moved on.

The Surgical Assessment unit (SAU) is developing in strength with the addition of a trainee Advanced Nurse Practitioner/SAU Lead role, who started in September 2015, to support the clinicians in managing the non-elective patient through the SAU pathway from the Emergency Care department.

Positive feedback dominated the CQC visit, with some improvements required on the Paediatric ward to ensure consistent safe staffing levels in times of peak demand.

Surgery has the best financial performance in the Trust, in terms of delivery against budget and Cost Improvement Programme (CIP) schemes, enabling it to support greater patient care.

## Service Developments

The major development this year is the introduction of a state of the art laparoscopic theatre replacing one of the older theatres. In addition to this, the air unit

supplying this and another theatre is being replaced, making it the largest project undertaken by Surgery. In order to minimise the major disruption on the delivery of services, we increased the operating capacity at Leigh and introduced three session days and weekend working on the RAEI site.

After national reviews, the model for the delivery of specialist vascular surgery changed, meaning that specialist in-patient services should be provided in dedicated Arterial Centres to enable patients to receive the best possible care. To facilitate this, in partnership with Royal Lancashire Teaching Hospitals Foundation Trust, the acute in-patient service was transferred in September. All other vascular services remain within the Trust.

Within the Ophthalmology service, the nurse led age-related macular degeneration (AMD) injection service continues to increase, with nurse practitioners having carried out around 3,500 injections on patients of the Borough. This is clearly a quality service, with good outcomes, of which our patients are very supportive.

The surgical care practitioner, who has responsibilities in theatre as first assistant to the surgeon, is due to complete nurse endoscopist training and planning is underway to enable a nurse-led rectal bleeding clinic in the future.

The SAU has collaborated with Radiology to improve patient care and provide the surgical nursing expertise in the X-ray department, this has enabled the move from in-patient to day-case angiography.

A review clinic based in the SAU has gradually increased activity and now functions as a seven day service with non-elective patients reviewed by senior clinicians and nursing staff.

In addition, the Wound Clinic introduced last year is fully embedded in practice.

A role is under development to provide a specialist nurse-led service in gynaecology and early pregnancy assessment, which will enable further capacity in senior medical staff job plans and provide our patients with quality care.

We are also working with the lead nurse in cancer care and will be recruiting Macmillan support workers, in line with national guidance, to support several of our nurse specialist teams.

Critical Care saw the publication of NHS England's Critical Care D16 service report. The unit complies with many of the recommendations and work is underway, via business planning, to introduce supernumery coordinators and provision of rehabilitation services for discharged patients.

The addition of a Hyperemesis Room in the Bradley

suite on Swinley Ward is proving positive. It is providing greater privacy and dignity for this client cohort and also acting as a private facility for early pregnancy service users receiving distressing news.

The service change has facilitated conversion of previous inpatient to day case care and has supported admission avoidance.

The past 12 months have seen developments in the care of the non-elective surgical patient by streamlining and improving the patient journey through the surgical assessment pathway.

## Governance

Complaints management has been further devolved to the divisional team who have introduced enhanced processes to manage complaints locally, thereby allowing earlier resolution and increasing complainant satisfaction. More robust systems have also been introduced to monitor lessons learnt and audit actions plans.

There has been an improvement in divisional incident reporting, which has supported us in achieving an increased upload of incidents to the National Reporting and Learning system (NRLS) and provides assurance that safety is managed appropriately.

The Governance team actively mentored and guided all divisional staff in gathering evidence and completing documentation as requested. This was an intensive period for the team and staff felt well supported.

The team provide briefing reports for Specialties, detailing incidents, complaints, claims and key Governance messages; they ensure action plans are presented to Clinical Cabinets and to the Divisional Quality Executive Committee.

## Staff engagement

We have been actively involved in the pioneer staff engagement programme. Langtree Ward has seen an improvement of 23% in staff satisfaction and the programme was evaluated as hugely beneficial to staff.

Maternity gained an 86% score in staff engagement after the process. Building on this, current teams in the programme are Ophthalmology nursing, Orrell, Swinley and Rainbow Wards with Orthoptists and Leigh theatres proposed for the next cohort.

## Awards

Urology Specialist Nurses – two papers were accepted and presented at the International Continence Society Meeting in Montreal.

Orrell Ward were finalists in the 2015 Nursing times award for Team of the Year.

The Maternity Unit received re-accreditation for UNICEF UK Baby Friendly and was acknowledged for its way of working. The team are very proud of their achievement of Neonatal UNICEF UK Stage 2 accreditation, which resulted in Kathryn Ashton receiving her Silver Champion award. We were the first Trust in the North West and only the second in the Country to achieve this accreditation. Kathryn is working with UNICEF UK Baby Friendly to advise them on how Neonatal Unit standards are embedded. A poster presentation was given at UNICEF UK Annual Conference showcasing our success.

Langtree Ward was the winner of the dementia awareness board and runner-up of the Tissue viability Pressure area care display board.

Gynaecology received the winning entry for the category of Continence Care team in the inaugural Continence Care Awards. In addition to this, Jennie Davies was also highly commended in the clinical leadership category.

### Service Redesigns and Redevelopments

There have been a number of developments this year within the specific services that makeup the Division. Highlights include:-

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#### Breast

We have seen a real growth in referrals this year, in particular from the West Lancashire area. As a result of the increasing demand we have had to provide additional capacity in the form of clinical and theatre sessions.

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#### Colorectal

The Colorectal cancer pathway has been re-designed by implementing a one stop 'Straight to Test' (STT) colonoscopy service; the consultant-led triage of suspect colorectal cancer referrals enables patients to be booked directly to endoscopy for their diagnostic procedure. This service has created an additional 22.5 slots per week and has reduced patient waiting times from referral to investigation and diagnosis of colorectal cancer.

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#### ENT (Ear, Nose and Throat)

There has been an increase in capacity within our emergency casualty clinic, resulting in more patients being able to be seen and treated more quickly, minimising the need to go to theatre or attend an outpatient appointment. Developments in the service include:

- Voice / Airway Service – the introduction of new video-stroboscopy diagnostic equipment and MDT (Multi-Disciplinary Team) working allows precise diagnosis and optimal patient management, reducing surgery and directing therapy.
- Thyroid and Neck Lumps one-stop service - patients with suspected cancers are seen and assessed with tests including ultrasound staging and guided needle tests to improve patient experience and speed up diagnostics.
- Clinical audit on this pioneering service has been presented nationally.
- Research - participation in NIHR national multi-centre clinical trials brings patients from other parts of the UK to access our clinical services. Examples of such trials include NAVIGATE (nasal polyps) and TACT/AMPACT (tinnitus).
- Training - ENT continues to provide the flagship MCh programme in conjunction with the University of Edge Hill, bringing high quality clinicians working in collaboration with local consultants. Several national and regional training courses have also been conducted with delegates from many parts of the UK attending. A recent Dean's visit commended the emergency management (RAG) triage and patient safety alert system pioneered by ENT and used by on-call cross-covering trainees.

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#### Max Fax

Have introduced a General Dental Practitioner (GDP) clinic on a weekly basis, which gives 10 emergency slots for GDPs to access; this gives patients a one stop service where applicable. The team has developed a face pain clinic, which takes place on a monthly basis, where we have a dedicated Pain Management Consultant in attendance.

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#### Ophthalmology

The introduction of a glaucoma one-stop clinic, which has resulted in a reduction in the need for patients to attend multiple times. In the clinic the patient sees the nurse for their vision checking, before having various scans and/or tests, before seeing a clinician (all on one attendance), who will be able to discuss if any further appointments are needed.

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## Urology

Developments include:

- Specialist Nurses offering telephone appointments for support and guidance to reduce the need for patients to attend hospital.
- Following the success of evening Wrightington clinics (2 per month), we now also have one evening clinic at Leigh per month in the Richmond unit.
- We have had an SPR (Specialist Registrar) for 18 months and feedback from the first year was excellent, with more procedures in the log book than any other units providing core urology experience.
- Working closer with Bolton, we have started some shared weekend on-calls, moving towards a possible single service arrangement.
- Nurse led intravesical botox administration for routine scheduled patients, to improve timeliness of delivery.
- Starting nurse led flexible cystoscopy stent removals to reduce waiting times and hence discomfort for patients with stents in after surgery.
- Working with primary care to reduce unnecessary referrals, their costs and our waiting times, by providing a triage system for their GPs.

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## Pain

Service redesign is currently in progress to put the patient needs more at the centre of our service provision. The development of support groups and workshops in conjunction with Bridgewater and 5 Boroughs has been a big feature of the year.

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## Gynaecology

The new infertility unit opened on the Wrightington Site. This joint venture with the Liverpool Women's Unit is providing an expanded service to a far larger catchment area than previously available. Our market share increased with the growing reputation of the Hanover service, supported by continuation of the 'one-stop' approach to service delivery that is so liked by our patients.

The services were winners of the overall Foundation Award for a patient pathway to reduce wound infection in women undergoing caesarean section. This new pathway saw infection rates fall from 14% to less than 2% in 18 months.

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## Child Health and Obstetrics

- There has been a review and amendment of clinical templates resulting in all General Paediatric Consultants reviewing neonatal patients, thereby giving quicker appointments for premature/poorly babies.

- We became lead provider for childhood eating disorders within the borough, building on the service already provided.
- A portable scan machine was purchased for the delivery suite, to support the continuing reduction in stillbirths (60% reduction since 2012), being part of the Saving Babies' Lives in the North of England project (SaBiNE), the AFFIRM research project and the RCOG "Every Baby Counts".
- Midwives undertook a Hypnobirthing course and are in the process of planning classes for improved care opportunity.
- Implementation of the Elective LUSCS list has improved safety on the delivery suite and also patient satisfaction.
- The Neonatal unit has been successful in being accredited with UNICEF baby friendly level 2 status and is only 1 of 2 in the country to have this status; it is in the process of upgrading to level 3'
- The Infant Feeding Team has continued to support women with their chosen method of feeding; 90% are still breastfeeding on discharge and around 75% are still feeding at day ten.

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## General Surgery

A review of clinic templates has reduced the outpatient waiting times down to below 4 weeks. All clinics are monitored and any available follow up slots are being converted to new, to help bring waiting times down further. We have also seen a significant decrease in our number of admitted long waiters due to proactive management of 18 week pathways.

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## Vascular Surgery

Waiting times have been significantly reduced with the introduction of 'straight to test'. This service allows the patients to have their scans done before seeing the consultant, so that a decision as to their further treatment can be made at their first visit to clinic.

We are working closely with colleagues in the CCG with regard to the redesign of outpatient pathways in a number of our specialities; these include Pain Management, ENT, Ophthalmology and Urology.

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## Health Care Operations (HCO)

It has been a busy 12 months for HCO as the service has continued its development supporting all the clinical divisions.

- Continued support for the HIS Programme to develop the EDMS (Electronic Document Management System) in preparation for going live in May 2016

- Successful implementation of an administrative apprenticeship programme and continued support of the Trust's Cadet programme and Skills for Health pre-employment programme
- Sustained reduction in temporary staffing and Agency usage, resulting in financial efficiency savings
- Support to the Endoscopy Unit with the introduction of the bowel screening programme and continuous improvement to retain JAG accreditation on the Leigh site
- Supporting the surgical division with the upgrade to theatres 3 & 4
- Working with all divisions to facilitate the out-patient productivity programme and continued reduction in hospital cancellations
- Challenges faced as a result of the new national Electronic Booking System to replace 'Choose and Book'
- Continued support for the Trust's Quality Champion initiatives in relation to appointment letters, booking of cancer referrals and data quality improvements to recording out-patient outcomes

### Leadership & development programmes

The division has had a number of key senior nurse changes within the year. All new post holders have individual development programmes, together with accessing other support mechanisms i.e. the Trust's band 6/7 development programme.

A focus this year has been financial management training, utilising the DFM (Devolved Financial Management) information tool. This has been key to enhancing ward and department manager's skills and is realising greater scrutiny of budgets, challenging value for money, CIP generation and an increase in effective budgetary management.

Sickness absence is managed according to policy and we had the strongest performance in the Trust with rates below the Trust trajectory.

### Improved Patient Experience and Quality of Care

We are participating in all avenues of nurse recruitment and been successful in both domestic and overseas employment, together with strategies to retain experienced staff and encourage return to practice.

Medicines management has been a key focus area of work and we have seen the reduction of medicines management incidents, with link nurses in all areas to support training and education.

The senior nursing teams continue to support corporate initiatives; they have embraced Always

Events, Expected Date of Discharge and a range of key performance indicators, to monitor and introduce actions to improve patient care.

Additionally, patient acuity and dependency is audited continuously, and with monthly reports on safe staffing and any triggers for action i.e. red flags.

The Midwife-led bereavement facilities or 'Pearl suite' has been refurbished to support families, with a dedicated support based resource.

Rainbow ward has held a pantomime twice this year in conjunction with a charity called 'Starlight' and has, this year, managed to secure the services of a children's hospital magician who visits every month; both have been a huge success with the children (and staff).

We have also been lucky enough to be included in 'Box 4 Kids', a charity which offers sick children the chance to watch a football or rugby match in a hospitality box, with associated perks such as meeting players; these have included Liverpool, Wembley, Wigan's DW and Manchester City.

## Estates and Facilities

### Summary

We continue to provide a wide range of non-clinical support services to all sites and, via Service Level Agreements, to both Wigan Borough CCG and 5 Boroughs Partnership NHS Foundation Trust.

During this last year we have successfully supported the implementation of the Service and Site Investment Strategy, which has seen major investments at each of the main sites. Following on from the success of the previous year's Patient Led Assessment for the Care Environment (PLACE), we have further improved our performance in the 2015 assessment by being ranked overall fifth in the whole of England for the second year running, the highlight being the achievement of 100% for cleanliness.

Whilst quality and safety are equally important, we fully recognise the need to provide a cost effective service and utilise our Estate as efficiently as possible. The recent Lord Carter review of efficiency within the NHS identifies Estates and Facilities as a key area of spend; we have embraced the principles of this review and have already commenced work in this area in conjunction with the Department of Health and Health Estates and Facilities Management Association (Hefma).

### Capital Programme and Major Works

During the past 12 months, we will have invested £15 million into Service and Site Investment projects. This capital expenditure means that we have invested close to £65 million in the Service and Site programme since its inception in 2011/12. We are very proud of the progress that has been made in the improvement of our clinical facilities, which have been specifically designed to ensure that our patients receive the highest possible standard of care. Some of the more notable developments over the past 12 months are:

- Wrightington Phase 1
- Trust wide Fire and Health & Safety improvements.
- Trust wide Major Maintenance works.
- RAEI Theatre 3 and 4 upgrading.

Further details on all of the capital schemes undertaken during 2015/16 are included in the Service and Site section of this report.

### Operational Estates

The Operational Estates Team provides an emergency breakdown repair and planned preventative maintenance service across the Trust, in addition to supporting wider Estates and Facilities activity across the Trust sites.

The Operational Estates management and workforce structure provides both site and functional focus into key areas such as the highly visible "front of house" patient, staff and visitor environment and specialist engineering systems such as boiler plant, specialist theatre ventilation, standby power generation, electrical distribution, domestic hot and cold water distribution, space heating, fire detection / alarm systems, lift installations and medical gas pipeline systems. The Operational team plays a key part in ensuring that the patient environment is maintained at the highest level. This is audited annually as part of the PLACE assessments and in 2015 the score for condition, appearance and maintenance scored 99.56% which ranks the Trust 2nd in the whole of England.

Operational Estates also play an important lead role in ensuring Estate compliance, with key areas being asbestos management, water management (Legionella / Pseudomonas) and other statutory compliance functions, including maintaining suitable CQC evidence. Compliance is monitored, using the CAAS system, and has seen year-on-year improvements in this critical area with the current aggregated score in excess of 90% against a target of 80%.

Medical Equipment Management has seen the team continue detailed work upon the (RAM) equipment database, which now includes over 20,000 items. The data base is a keystone to ensuring servicing, maintenance and breakdown repair service delivery to all clinical departments across the Trust. The department also includes a Medical Loan Store that services and maintains mattresses and infusion pumps.

### Facilities Services

The Facilities teams continue to support the Clinical Divisions in the provision of essential non-clinical support services. This year has seen further improvements in both the quality of service and efficiency of delivery. Notable successes and achievements have been:

- STS (Support Training and Services Ltd) accreditation has been achieved for the last 2 years at 6-monthly audits. This is for our sandwich production facility.

The Trust has also retained their Environmental Health 5-star rating across all our outlets.

- In the 2015 PLACE assessment our food scored 96.87% which ranks us 10th in the whole of England.
- Compliance with compulsory training, PDR (Performance Development Review) is still challenging, but generally remains high.
- Our Trust Cafés and Shops at RAEI, Leigh and TLC, have increased income beyond expectations, and provided a much needed standardisation of pricing across the Trust. The outlets are well used by staff, visitors and patients.
- Porters continue to deliver high quality services, working with wards to achieve the 'Always Event' around bereavement. Waste segregation and collection has improved, as has the management of medical gas cylinders. The transition to the new wards and theatres at Wrightington has been supported by the team, who have also changed working practices to ensure successful operation of this major new facility.
- Transport Services continue to move over 275,000 staff a year to and from RAEI to the car parks. That is almost 1,100 per day.
- Residential Accommodation saw this year the biggest influx of medical students we have yet seen.
- The standard of cleanliness within the organisation's clinical areas is still in excess of the Trusts aspirational level of 95%; these scores are monitored by the Senior Infection Control Matron and the Trust Facilities Manager. The monthly audit scores are displayed at the entrance to each of our wards. Where a ward or clinical area fails to meet the minimum National Cleaning Standards, for whatever reason, the Senior Infection Control Matron and Trust Facilities Manager inspect the area to ensure the scores are brought back to standard within an agreed timescale and re-audited. The scores are reported to the Trust Board on a monthly basis and form part of the DIPC (Director Infection Prevention Control) report.
- The Domestic team, who were nominated and awarded the Trust team of the year 2015/16, have continued to implement improvements to assist in the reduction of hospital acquired infections; these include a Hydrogen Peroxide Fogging Facility, in which all CDT (*Clostridium Difficile*) and PCR (polymerase chain reaction) CPE+ (Carbapenemase Producing Enterobacteriaceae) positive terminal cleans are concluded with the Hydrogen Peroxide Vapour decontamination process. Disposable curtains are fitted to all wards and high risk clinical areas. The Trust, once again, achieved 100% for its standards of cleanliness

for the second year running as a part of the PLACE (Patient Led Assessment of the Clinical Environment).

- The Trust engages with local artists and art groups, exhibiting artwork in the Hospital corridors across the Trust. This was established under the umbrella of 'Art for Health'. We are always looking at ways of improving the environment for our patients, visitors and staff alike and introducing a holistic approach to our patient's wellbeing.

### Sustainability and Environmental Management

We continue to invest considerable resources towards ensuring the reduction in our environmental impact within the local environment. The design of new buildings and refurbishments aims to achieve 'Excellent' or "Very Good" in the BREEAM assessment tool (Building Research Establishment Environmental Assessment) as well as satisfying HTM 07-07 - Sustainable Health and Social Care buildings. We have continued to reduce our environmental impact through reducing energy related CO<sub>2</sub> emissions year-on-year.

Our participation within the Trust Social Responsibilities Group has helped towards achieving this goal and the team are an integral part of this group.

The Trust continues to implement a strict regime of monitoring and targeting across Trust sites, which is essential as we continue to see a marked increase in costs for electricity provision and a levelling out of the prices for gas for 2015/16.

With the introduction of Phase 1 to the Wrightington site, the energy consumption of this site has increased significantly – although notably more with electricity than gas, due to the high thermal efficiency of the building, but high electrical intensity.

Leigh's electrical energy consumption has stabilised, with previous increased use of the Data Centre and Hanover buildings now static.

Increases to the electrical consumption highlight the need for greater control of this utility, which has led to the Trust looking to introduce Combined Heat and Power (CHP) across the Leigh site within 2016/17, for commissioning in May 2016. A Business case is being drawn up for the implementation of this CHP plant to be, ideally, funded via a Salix-style loan, proven to have been successful for the Trust in the past.

Within 2015/16 we have implemented gas burner controls at Leigh, which have significantly helped in the control of gas consumption; as a result, the same has been installed at TLC.

We have also introduced a Boiler Flue Economiser, which is new technology, that helps to recover energy normally wasted through gases to atmosphere. We are able to harness heat energy and divert it back to the site heating systems. Having been successful at RAEI over the past 10 months, we have commenced a programme to install this at Wrightington late in 2015/16, with significant benefits anticipated for 2016/17.

Both technologies and their implementation have been funded via the use of Salix interest free loans; this is something the team will continue to look to embrace in 2016/17, to enhance the Trust estate and improve its energy usage and efficiency.

### Waste Management

Our objective is to ensure the safe, compliant and sustainable management of waste and the disposal of such wastes across all sites whilst maximising recycling in all areas.

Recycling drop-off points have been introduced throughout the Trust to further enhance our recycling performance from the segregation of cardboard, scrap metals, woods, paper from confidential waste and electrical waste. Our recycling tonnage continues to increase across the Trust sites, enabling us to significantly reduce the costs of waste disposal. The amount of domestic waste disposed of to landfill is minimal as most of this waste stream is now disposed of in energy from waste plant, ultimately generating electricity for industry.

Improvements to the waste management infrastructure, such as waste compactors and collection bins, as well as holding areas for waste materials, is something the team continually strives to improve. 2015/16 has highlighted a need for improved equipment and machinery, with breakdowns and downtime more prevalent than ever before. The team are in the process of investigating more innovative ways of funding such infrastructure investment, with capital at a premium within the Trust currently and payback on such items more likely to be 5 years or greater.

The internally-set objective, to reduce overall waste management costs annually compared to the previous years, has been achieved for each of the past 3 years. Costs for domestic waste disposal have increased slightly while the price per tonne compared to previous years has remained relatively static. Costs for clinical waste have decreased in recent years due to improved management of clinical waste streams.

The team continually provides support and advice to all Departments with regard to their waste responsibilities ensuring they have the necessary information, equipment and facilities to allow the safe handling, segregation and storage of waste. Regular waste audits are successful in helping to build a picture of disposal compliance and waste throughput levels throughout the Trust. This enables resources and training to be targeted where it is required most. This year has seen the successful introduction of medicine waste containers at ward level, and procedures developed for the disposal of category A waste (such as Ebola waste) and specialist chemical wastes, thereby increasing compliance with waste legislation.

The introduction of a Dangerous Goods Safety Advisor (DGSA) within the Trust has further enhanced the understanding of packing, labelling and movement of waste for transport off site and has assisted the Trust in improving compliance with Carriage Regulations.

## Project Management Office (PMO)

The Service Transformation and Project Managers working within the PMO, coordinate business improvement planning across the Trust along with facilitating and monitoring the delivery of the Cost Improvement Programme (CIP). Working with both the Trust and across the whole health economy, the PMO provide expertise to enable teams enhance quality through improvement, in line with the Trust's vision and strategy, thereby ensuring that services remain safe, effective and caring.

The PMO team actively supports the organisational values by placing patient focused quality improvement at the forefront of all we do. Within clinical and non-clinical settings we promote innovation and creativity. Using coaching and engaging practices we develop and enhance the resilience and skills of both teams and individuals. We engage with the wider Wigan Borough health and social care providers as partners in our care delivery and actively strive to create a web of connective care.

There are four main areas of focus within the PMO:

- Business Planning
- Cost Improvement Programme (CIP)
- Service transformation
- Integrated working across the wider health & social care community within the Wigan Borough

### Business Planning

Working closely with Divisions, the PMO facilitate and support their delivery of the 2015/16 business plans, with particular focus on the service changes required to ensure delivery. From November 2015 we have worked closely with the teams to develop a plan for 2016 onwards, incorporating planned improvements made possible by Healthier Together and the Greater Manchester Devolution.

### Cost Improvement Programme (CIP) Delivery

During 2015/16 the PMO supported the divisions to manage their CIP, by being actively involved in identification, performance management and assessment of quality impact that the CIP schemes have on the services delivered to patients. With this support and despite the challenging financial environment a £10.288m CIP has been delivered.

## Service Transformation

Supported by the Trust's continued coaching culture development, during 2015/16

the PMO has been able to engage, challenge and support staff to examine their services and redesign them, whilst maintaining the needs of the patient at the heart of each improvement.

Through engagement of staff and patients, we continued to support significant improvements including Dementia care at WWL, Outpatient appointments and care, our Perfect Week "7 Days, No Delays" and implementing the lessons learned.

Over 200 WWL Dementia Champions have been trained undertaking a 2 day training course in Dementia support and individualised person centred care. This enables our staff and volunteers to better support and care for those living with, or affected by, Dementia. We have also produced a training video which will be used by both the hospital and care homes in the Wigan Borough to develop and promote awareness of the challenges facing those living with and affected by Dementia.

WWL has been working closely with patients to redesign Outpatient services based on the experiences of the service users. With our Clinical Commissioning Group, we have held events to listen to our patient's views and experiences and, taking these into consideration, improve Outpatient services. Work has already begun to deliver improvements in some specialities; others will follow over the next year.

During April 2015 WWL ran a "7 Days, No Delays" event, a quality led initiative, based on the 'perfect week' concept implemented within other organisations. It aimed to deliver a perfect week of care and make improvements to a patient's journey. Planning and implementation were supported by the PMO as were the delivery of improvements based on the lessons learned from this week, including the use of Discharge Liaison Officers (DLO), non-clinical staff who are able to influence patient care by improving patient flow, particularly during busy periods.

### Integration of services across Wigan Borough

Transforming services to be more effective to the needs our population requires both health and social care services to work in partnership. Bridgewater Community Healthcare NHS Foundation Trust, 5 Boroughs Partnership,

Wigan Council and GP Practices are working with Wigan Borough Clinical Commissioning Group and Wigan Council commissioners to plan and deliver integrated services across the Borough. The PMO has worked across the whole health economy, supporting strategy development and actively engaging in the development of new integrated services, from ideas to delivery. The PMO worked closely with clinical colleagues at WWL and Bridgewater Community NHS Trust and patients to redesign services in diabetes, dermatology and community nursing & therapy services. The planned improvements to these services will be delivered throughout 2016.

Along with managing projects and programmes directly, the PMO delivered expertise in change facilitation, business improvement and project management methodology across both the Trust and the health and social care economy. We were able to up-skill and enable teams and individuals to manage projects themselves and launched Improvement Training during 2015 to enable this. We create resilience to change through coaching and staff development; we plan and facilitate large scale multi-organisation events and manage risk and dependencies across multiple programmes and projects, whilst supporting the organisation's business planning and cost improvement work.

## Preparing for Major Incidents

We need to be able to plan for, and respond to, a wide range of incidents and emergencies that could impact on health or patient care. These could be anything from extreme weather conditions, contaminated or infected patients, or a major transport or industry accident.

The Civil Contingencies Act (2004) requires NHS organisations and providers of NHS funded care, to plan and prepare for such incidents, whilst maintaining safe services to patients. This programme of work is referred to in the health community as emergency preparedness, resilience and response (EPRR). There are a set of NHS Core Standards for EPRR (issued by NHS England), against which the Trust has declared 'Substantial Compliance', and an action plan has been developed to ensure that the Trust becomes fully compliant by April 2016.

### Preparedness, resilience and response

The Trust works towards preventing emergencies from occurring by identifying local high level risks (based on the National Risk Register) and putting plans and processes in place which aim to reduce the likelihood or impact of these risks. We also continue to work closely with our partner agencies in Wigan and Greater Manchester to identify local risks and to agree joint plans to provide a co-ordinated multi-agency response, for example the Wigan Multi-Agency Flood Plan. We are actively represented on a variety of local and regional emergency planning and response forums including Wigan Resilience Forum and Wigan Health Economy Resilience Group.

We have a Major Incident Plan which provides a generic management framework to respond to and recover from a significant emergency or major incident. We have not been required to activate our Major Incident Plan this year, although the UK has experienced several major incidents and emergencies. These include several periods of prolonged flooding across the north of England, causing significant disruption to people, travel and utility services, and the plane crash at Shoreham airshow. This year has also seen several hospitals declare internal major incidents (or 'black alert') as they experience ongoing significant bed capacity issues.

The Plan has been tested through local and regional exercises to ensure that we can provide an effective and efficient response in the event of a major incident or emergency. We also learn from incidents, both local and national, to enhance our own local planning and response.

All staff are encouraged to attend training sessions to practise their roles in the event of a major incident or emergency. This year, Exercise Phoenix was used to test the senior managers' and executives' responses to an incident relating to a marauding terrorist firearms attack (MTFA). This was a terrorist attack scenario whereby a number of 'fictitious' patients were transported by ambulance to A&E following an incident that closed off Wigan Town Centre. The Exercise provided facilitated discussions on how they would deal with this type of incident and covered a number of core competencies around EPRR for senior managers and executives.

During 2015/16, the Trust continued the roll-out of HealthWRAP – a 'Workshop to Raise Awareness around Prevent' in a healthcare setting. This training is mandatory for all NHS staff and aims to support staff in identifying and supporting vulnerable individuals from being radicalised. It is part of the UK's counter-terrorism strategy (CONTEST) that aims to reduce the risk we face from terrorism so that people can go about their lives freely and with confidence. This training has been offered to all staff since June 2014, and over the past 18 months, the Trust has achieved 84% attendance, a huge success.

The Trust continues to maintain its decontamination facilities (for chemical, biological, radiological and nuclear contaminants), and this year has also had to provide facilities to care for a potential or actual Ebola patient. These facilities remain in place and have been tested through the presentation of suspected Ebola cases (not confirmed cases) arriving at A&E.

This year, the Trust has also developed a new 'Disruption to Road Fuel Supply' Plan. Based on the National Plan, this Plan outlines how the Trust will respond to such an incident in order to maintain business as usual and minimise disruption.

The Trust Business Continuity Plan is constantly under review to take into account any changes within the organisation or with the response that the Trust would provide. This Plan provides a framework to enable the Trust to respond to large scale localised incidents e.g. significant flooding, utility failure. All divisions and departments also have a Business Continuity Plan in place which enables them to respond effectively to both local incidents and together in response to larger scale major incidents. These plans were reviewed during 2015 and they are regularly tested through exercises and activation. The implementation of Business Continuity Plans ensures minimum disruption to staff and patients and a timely

return to 'business as usual' in the event of such an incident or emergency.

Throughout 2015/16, the Trust has responded to several local unplanned incidents that have occurred on Trust premises. These incidents are managed by implementing local Business Continuity Plans and procedures. Such examples include telecoms outages, extreme capacity issues, and flooding at Wrightington theatres. The Trust has also managed some planned outages including upgrading the bleep system and undertaking preparatory work in advance of the Hospital Information System (HIS) going live in 2016. Operational planning and good communications beforehand ensure minimum disruption to both patients and staff. Through a robust debrief process, the Trust continues to take note of lessons learned and good practice following each incident, whether planned or unplanned, to better prepare for future incidents.

## Patient and Public Engagement (PPE)

The Trust is committed to working with patients, carers and the general public to develop and improve our services. Some of our activities are set out below and more information is also contained within the quality account section of this report.

### Real Time Patient Feedback

Feedback from inpatients using the Real Time Patient Experience Survey is collected monthly. The surveys are undertaken by hospital volunteers and governors. The results are presented to the Board every month to monitor the corporate objective of 'over 90% of in-patients reporting a positive patient experience'.

### National Survey Results

We have continually achieved excellent scores for cleanliness throughout the hospital. This places us in the top 20% of all Trusts in this area of assessment in the National Patient Inpatient Survey for 2016 covering In-Patient and Maternity Services.

The Family and Friends initiative is in its fourth year of implementation. Patients are asked "How likely are you to recommend our ward/A&E department to family and friends if they needed similar care or treatment?" The Trust has consistently scored over 98% against the quality metric assessed by patients. The feedback from patients allows the Trust to address any areas for improvement identified from the patient's experience. An example of reducing noise at night on the Maternity Ward was the purchase of new quiet closing bins. The Goodnight Always Event initiative was also implemented as part of the feedback from the friends and family test and the national inpatient survey.

### Service Redesign

Over 60 patients and carers attended the redesign of the Outpatient Services using the experience-based design technique. We asked the patients about their experience, drawing out the positive and the negative elements with a view to bringing about changes that will lead to the establishment of a gold standard patient experience. Patients have also attended a Discharge Improvement Event which Picker Institute Europe facilitated for the Trust. Key projects are being taken forward including the development of patient Discharge Checklist and Discharge Wallet.

### Lay Involvement

The Volunteers and Lay Clinical Auditors have been involved in "Keogh-Style" mini inspections of the hospital and independently audit the Trust's 'Always Events'.

Lay representatives attend the Divisional Quality Executive Committees, Quality Champion Committee, Infection Control Committee, Service Transformation Board Obstetric and Gynaecological Clinical Cabinet and Paediatric Clinical Cabinet.

### Consultation with Local Groups and Key Stakeholders

We continue to work in partnership with key local stakeholders such as Healthwatch.

Healthwatch undertook an announced visit. The visits to RAEI were announced and planned over a two week period and were prompted by recent press and television coverage of the success the Trust was having, not only in winning awards, both nationally and regionally, but also achieving the A&E target of less than 4 hr waiting times, more than any other hospital in the Northwest. Healthwatch Wigan, whilst feeling very proud of its local Trust, wondered what WWL were doing differently to other Trusts and maybe more importantly what had the Trust done in the past few years to bring about such a dramatic improvement in the standard of care being delivered. The Enter and View team agreed that they would like to make several visits to RAEI to view not only the Emergency Care Unit but also the discharge procedures and facilities.

The CCG Healthwatch, local voluntary groups such as Think Ahead and the Local Authority worked in partnership with the Trust and Picker Institute Europe on improving discharge.

A cancer services awareness raising event on prevention and detection of cancer also took place in partnership with the Local Authority Public Health and Healthwatch.

The Patient and Public Engagement Committee monitors progress against the patient and public engagement strategy. It is chaired by the Lead Governor and has representation from Healthwatch Wigan and Age UK Wigan.







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## Voluntary Services

We currently have 433 volunteers registered on our Volunteers database. During 2015/16, we carried out a second audit of our database to ensure that all our data about our volunteers is accurate and up to date. As a result of this audit, we recorded 94 volunteers as having finished or retired from volunteering and 80 new volunteers as having commenced their duties in 2015/16.

### Volunteers' Long Service Awards

The Volunteers' Long Service Awards event was held on 4th June 2015 during Volunteers' Week. Our Chairman, Mr. Robert Armstrong presented the certificates and badges to our volunteers. We invited 49 volunteers to Wrightington Conference Centre to receive their Long Service Awards:

- 13 volunteers received 5-year badges
- 21 volunteers received 10-year badges
- 4 volunteers received 15-year badges
- 8 volunteer received 20-year badges
- 1 volunteer received a 25-year badge
- 1 volunteer received a 30-year badge
- 1 volunteer received a 35-year badge

During Volunteers' Week, we celebrated the valuable contribution our volunteers make to the Trust by sending each volunteer a thank-you letter and distributing cupcakes to all the areas every day. Thomas Linacre Centre Café Volunteer, Anne Crosby was the first proud recipient of the inaugural 'Volunteer of the Year Award' in the Trust's Recognising Excellence Awards. Cancer Care Centre Volunteer, Keith Roberts received Highly Commended in second place.

### Help Desk Statistics

From April 2015 to March 2016, our six Help Desks dealt with a total of 183,389 enquires. In addition, the hours covered by our Help Desk volunteers calculated at the minimum rate provided a financial benefit of £193,596.

### Fundraising

The volunteer fundraising groups are:

- Wigan League of Hospital Friends
- Wrightington League of Hospital Friends
- Hospital Fundraisers

During the past financial year, the Wrightington League of Friends donated £52,555 for the funding of various items, including £3,500 for the purchase of a Femoral Lift Device, £16,000 for cameras for the new theatres and £450 for a new television for the porters.

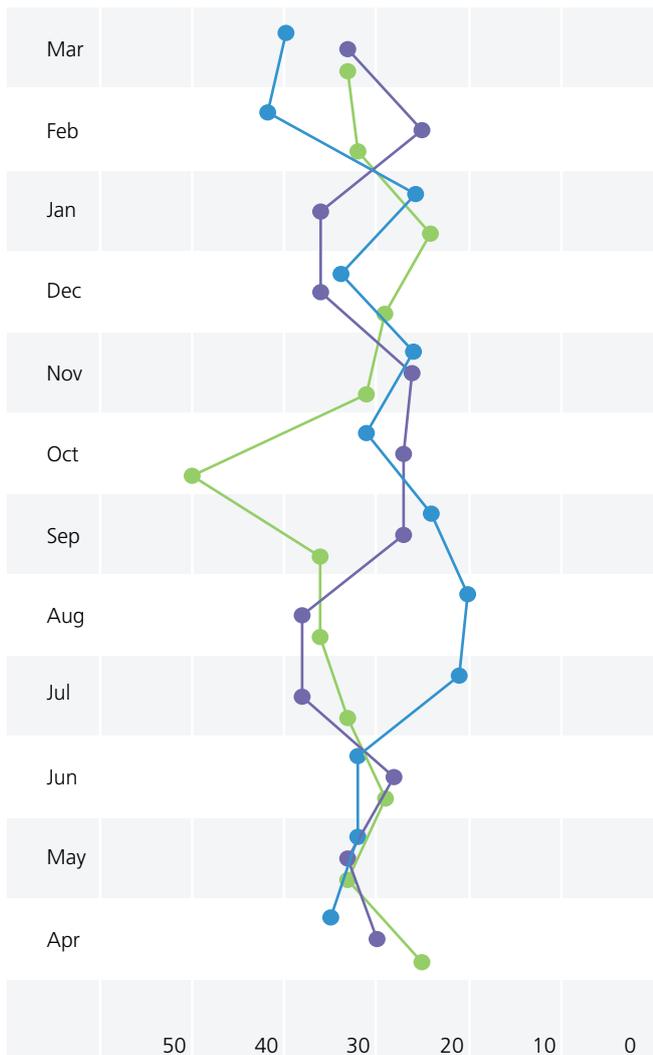
Our Hospital Fundraisers donated £2,462.37 to the Nurse Advisor Fund for patient comforts. The Fundraisers have also raised nearly £250,000 for the Heartbeat Appeal, which will be used to fund an extension towards the Cardiac Catheter Area. In addition, £9997.34 has been raised towards the Geoff Carr Memorial Fund as part of the Heartbeat Appeal.

## Patient Relations / Patient Advice and Liaison Service (PALS)

We welcome the views of people who have experience of using our services. This important information concerning the services we offer provides us with vital insight into what we are doing well and what we need to improve. We endeavour to make it 'easy' to raise concerns and the Patient Relations/PALS Service information is readily available on the web site, and in wards and clinic areas.

Reflecting on the last year the Patient Relations/PALS Department are in a position to report a decrease in the number of formal complaints by 3.5%. The table below shows the number of complaints received over the last 3 years.

### Complaints Received Year on Year Comparisons



|     | 2013/14 | 2014/15 | 2015/16 |
|-----|---------|---------|---------|
| Apr | 25      | 30      | 35      |
| May | 33      | 33      | 32      |
| Jun | 29      | 28      | 32      |
| Jul | 33      | 38      | 21      |
| Aug | 36      | 38      | 20      |
| Sep | 36      | 27      | 24      |
| Oct | 50      | 27      | 31      |
| Nov | 31      | 26      | 26      |
| Dec | 29      | 36      | 35      |
| Jan | 24      | 36      | 26      |
| Feb | 32      | 25      | 42      |
| Mar | 33      | 33      | 40      |

The following data is provided in line with the National Health Service Complaints (England) Regulations 2009.

- The number of formal complaints received - 363\*
- The number which were upheld - 358
- The Trust received 13 requests for files from The Parliamentary and Health Service Ombudsman (PHSO).
- A summary of the subject matter of formal complaints is:

| Subject   | KO41a Code | Total |
|---|------------|-------|
| Admissions, discharge and transfer arrangements             | 01         | 24    |
| Aids and appliances, equipment, premises (including access) | 02         | 6     |
| Appointments, delay / cancellation (outpatient)             | 03         | 27    |
| Appointments, delay / cancellation (inpatient)              | 04         | 16    |
| Attitude of staff   | 07         | 40    |
| All aspects of clinical treatment                           | 08         | 183   |
| Communication/information to patients (written and oral)    | 09         | 50    |
| Patients privacy and dignity                                | 12         | 5     |
| Patient's property and expenses                             | 13         | 1     |
| Personal records (including medical and / or complaints)    | 17         | 4     |
| Failure to follow agreed procedure                          | 18         | 1     |
| Patients status   | 19         | 1     |
| Transport   | 21         | 1     |
| Policy and commercial decisions of Trust                    | 22         | 2     |
| Hotel Services  | 24         | 1     |
| Others  | 25         | 1     |

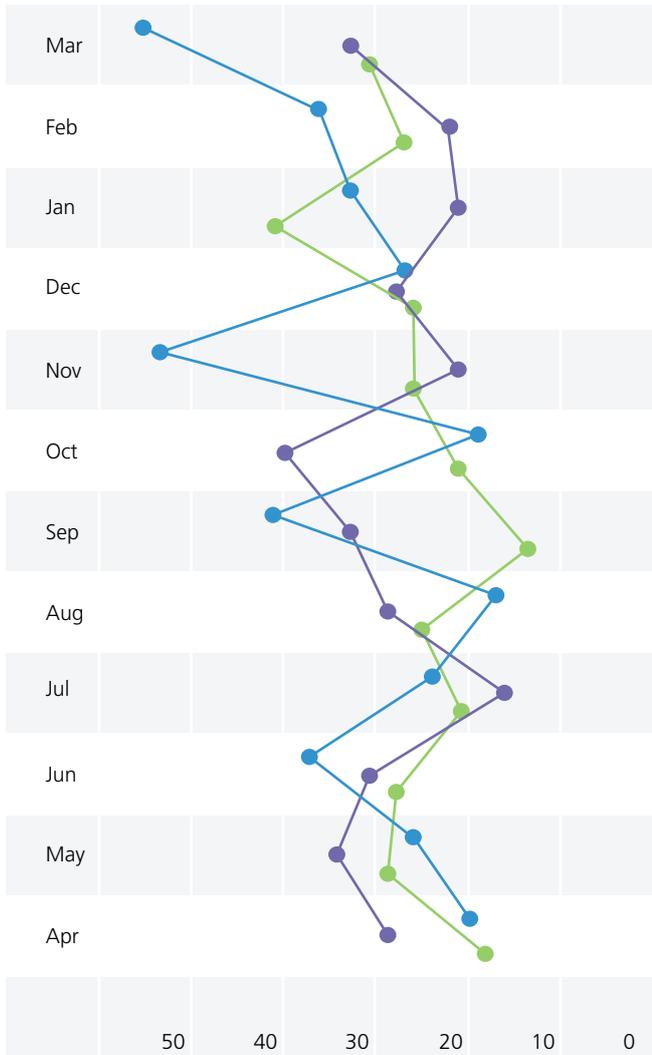
Learning from complaints very important and we continue to work to improve the services we offer, providing assurance of our learning.

The PALS service has continued to engage in early resolution of concerns during the last year, taking forward a more proactive management of any concerns received

within the Trust. Over the past 3 years the number of concerns dealt with has increased which is what the Trust would expect to be the case as formal complaints decrease. This entails immediate involvement of the Divisions to liaise and respond to concerns in real time and with early resolution. By providing the link between staff, patient, relative or carer, and offering the support to everyone involved this leads to a greater degree of satisfaction to all concerned.

All complaints and concerns are shared on a weekly basis at the Executive Scrutiny Meetings. PRD also facilitate opportunities to meet complainants to discuss their concerns in an open and honest manner, in keeping with the Duty of Candour and the Being Open process.

Concerns Received Year on Year



|     | 2013/14 | 2014/15 | 2015/16 |
|-----|---------|---------|---------|
| Apr | 18      | 29      | 20      |
| May | 29      | 34      | 26      |
| Jun | 28      | 31      | 37      |
| Jul | 21      | 16      | 24      |
| Aug | 25      | 29      | 17      |
| Sep | 14      | 33      | 41      |
| Oct | 21      | 40      | 19      |
| Nov | 26      | 21      | 53      |
| Dec | 26      | 28      | 27      |
| Jan | 41      | 21      | 33      |
| Feb | 27      | 22      | 36      |
| Mar | 31      | 33      | 55      |

## Information Governance

### Information Governance Toolkit Version 13 2015/16

The Information Governance Toolkit submission is required by the 31 March each year and is a measurement of our performance to ensure that personal and sensitive data is dealt with securely and confidentially.

We achieved 81% compliance with the Information Governance (IG) Toolkit assessment for 2015/16. There are forty five requirements in total which are scored at four levels of compliance ranging from level 0 to level 3. All 45 requirements are mandated to achieve at least a level 2 or above. We obtained a satisfactory status as all forty five IG Toolkit requirements met the minimum Level 2 status or above.

### Freedom of Information

We received 566 Freedom of Information requests from 1 April 2015 – 31 March 2016. This equated to 4798 questions.

Further information about Freedom of Information and how to request information about us can be found on our website - [www.wvl.nhs.uk](http://www.wvl.nhs.uk).

### Incident reporting

The Information Governance Department has recorded 143 Information Governance incidents between 1 April 2015 and 31 March 2016. 1 of these incidents has been identified as a Serious Incident Requiring Investigation and have been reported to the Information Commissioner's Office and the Health and Social Care Information Centre.



# Financial Performance Report

The Trust is reporting a trading deficit of £4.9m for the financial year ending 31st March 2016.

The trading position excludes the net impact of impairments, which amount to £6.9m for the year making the reported position a deficit of £11.8m.

Capital investment for the year totalled £15.1m which is £0.7m less than planned.

The cash balance at the year-end was £10.3m which is £4m lower than planned, a direct result of the trading position.

The Trust's Financial Sustainability Risk Rating (FSRR) is a 1. This is the metric used by Monitor to assess a Foundation Trust's financial stability. The measurement is from 1 to 4 with 4 being the highest rating achievable. The following provides more detail on the key financial metrics:

## Income

The Trust has generated £272.4m of income in the year, £5.3m more than planned.

Wigan Borough Clinical Commissioning Group (WBCCG) remains the largest commissioner of services from the Trust generating 64% of the Trust's overall income.

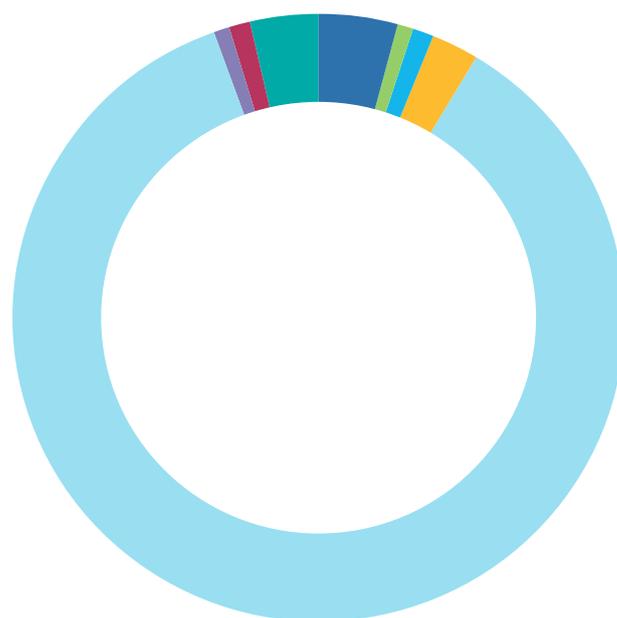
Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes.

The income received from providing goods and services for the NHS (Principle) is greater than the income from other sources (Non-principle) and the table below confirms that the Trust has met this requirement.

|   | Year-end<br>2015/16<br>£000 | Year-end<br>2014/15<br>£000 |
|---|-----------------------------|-----------------------------|
| Non-principle income                                      | 11,430                      | 11,901                      |
| Total income  | 272,380                     | 268,198                     |
| <b>Non-principal income as a percentage of all income</b> | <b>4.20%</b>                | <b>4.44%</b>                |

The following graph shows the split of the Trust's income by source; only 3.7% of income comes from bodies outside of the Government.

## Income by source 2015/16



- NHS FT's – 4.41%
- NHS Trusts – 0.16%
- Public Health England – 0.07%
- Health Education England – 2.54%
- CCGs and NHS England – 88.81%
- Local Authorities – 0.21%
- Other WGA bodies – 0.11%
- Bodies External to Government – 3.70%

### Clinical Income by Point of Delivery

| Income from commissioner requested services            | 2015/16<br>£000 | 2014/15<br>£000 |
|--|-----------------|-----------------|
| Elective income  | 59,825          | 60,514          |
| Non elective income                                    | 53,981          | 47,255          |
| Outpatient income                                      | 49,640          | 47,194          |
| A & E income   | 9,605           | 8,598           |
| Other NHS clinical income*                             | 70,147          | 78,795          |
| <b>Income from non-commissioner requested services</b> |                 |                 |
| Private patient income                                 | 2,406           | 2,359           |
| Other clinical income**                                | 1,065           | 1,865           |
| <b>Total income from activities</b>                    | <b>246,669</b>  | <b>246,580</b>  |

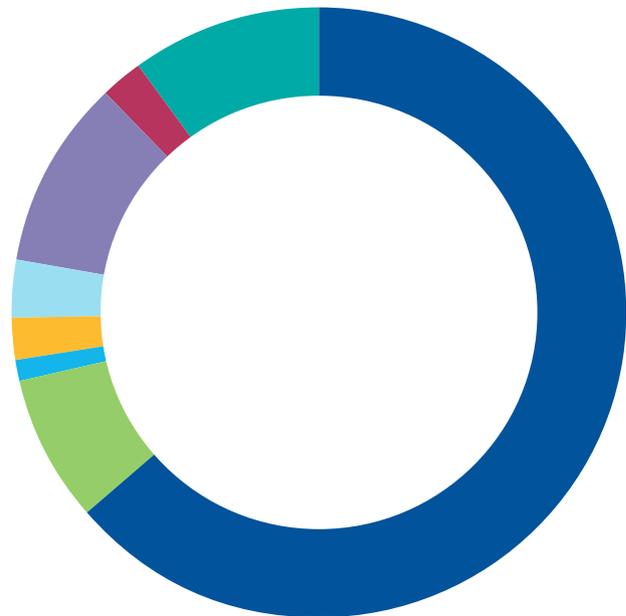
### Expenditure

Total expenditure is £284.2m (including impairments) which is an increase of £6.7m or 2% on last year. Pay is the largest expenditure item at £181.1m which is 64% of total expenditure and, within this figure, the amount spent on nursing staff remains the most significant at £64.5m.

£21.8m was spent on drugs which is an increase of £2.2m on last year. Other notable expenditure items in the year are £7.0m spend on the Trust's clinical negligence insurance premium and £3.7m on energy. Depreciation of £6.0m is included in the overall expenditure figure, a non-cash item reflecting the amortisation of the Trust's assets.

The following graph depicts the main categories within total reportable expenditure:

### Expenditure by Type (£m)



- Pay – 181.1
- Drugs – 21.8
- Energy – 3.7
- Depreciation – 6.0
- Impairments – 8.5
- Clinical Supplies – 28.4
- Negligence Premium – 7.0
- Other – 27.7

## Other Measures

The financial benefit derived from 'cost improvement plans' (CIP) is £10.3m in the year which is behind plan by £2.4m.

£15.1m was spent on capital items during the year which consisted of the new orthopaedic theatres and wards on the Trust's Wrightington site and the new hospital information system. A more detailed breakdown of capital spend can be found below.

The final cash balance at the year-end is £10.3m versus a plan of £14.3m; this includes the full year's loan drawdown. The reduced cash balance is driven by trading performance and delayed land sale.

### Capital investment programme

During the year the trust completed £15.1m of capital investments which have significantly improved services for both patients and staff. A summary of the capital investments undertaken in the year is provided in the table opposite:

| Capital investment scheme        | Investment benefits  | Value £000    |
|----------------------------------|--|---------------|
| Development of Wrightington Site | £18m Orthopaedic Centre development consisting of four theatres, two new wards and a new admissions area.                            | 7,632         |
| Health Information System (HIS)  | Hardware and software additions improving clinical and corporate information and services which include a Health Information System. | 3,778         |
| Fluase Heat Recovery System      | Upgrade of the boilers and heating system across the 3 main sites to energy efficient models which will reduce energy costs.         | 1,210         |
| Ventilation in Theatres          | Upgrade and modernisation of the ventilation system in theatres on the Royal Edward Albert site.                                     | 964           |
| Site repairs and maintenance     | General improvements to buildings, services and public areas.  | 554           |
| Purchase of medical equipment    | Replacement of old equipment with new to modernise services.   | 439           |
| Business Intelligence            | New software developments to improve internal and external reporting.  | 300           |
| Information Technology           | Hardware and software additions improving clinical and corporate information and services.   | 261           |
| <b>Total</b>                     |  | <b>15,138</b> |

### Post balance sheet events

In the opinion of the Directors of the Trust there are no post balance sheet events.

### Going Concern

Based on all available evidence, the Directors of the Trust have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

In giving this opinion the Trust recognises the challenging environment and has identified those risks which will require careful management.

The board has approved the Trust's 2016-17 Annual Plan which has been submitted to Monitor.

Income and expenditure plans have been prepared using national guidance on tariff and inflationary factors with income based on agreements with commissioners.

The Trust has been prudent in its assessment of efficiency targets, including cost improvement plans managed by a well-established Project Management Office, and believes that this forward plan provides a realistic achievement assessment of the financial year ahead.

Income and expenditure budgets have been set on robust and agreed principles, which mean that divisions should be able to provide high quality healthcare within the resources available, provided the cost saving targets are achieved.

Uncertainties exist in the current economic climate, however these have been reduced by agreeing a number of contracts with Clinical Commissioning Groups, Local Authorities and NHS England for a further year and these payments provide a reliable stream of funding minimising the Trust's exposure to liquidity and financing problems.

Cash flow statements have been prepared using planned income and expenditure and a full range of sensitivities, re-modelled based on identified risks and reasonable mitigations which have been considered by the Audit Committee, external auditors and the Board. Taking the above into account, the directors believe that it is appropriate to prepare the accounts on a going concern basis.





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# Accountability Report



## The Trust Board

Our Board of Directors operates according to the highest corporate governance standards. It is a unitary Board with collective responsibility for all aspects of the performance of the Trust including strategic development, approving policy and monitoring performance. This includes ensuring the delivery of effective financial stewardship, high standards of clinical and service quality, corporate governance and promoting effective relations with the local community.

The Board is legally accountable for the services provided by us and key responsibilities include:

- setting the strategic direction having taken account of the views of the Council of Governors
- ensuring services are safe, effective and caring
- ensuring robust governance arrangements are in place
- ensuring rigorous performance management is in place
- ensuring compliance with our Monitor Licence and CQC registration
- ensuring it acts in accordance with its statutory duties laid down in its constitution

In accordance with the requirement of schedule A (section A.1.2, B.1.4., and B.3.1) of the Code of Governance, the following provides information on the members of the Board, details of key committees including audit, nomination and nomination and remuneration committees and attendance rates:

## Non-Executive Directors



### Robert Armstrong Chairman

Appointed 01/11/14 – 31/10/17

#### Experience

Robert has lived in Wigan for 18 years since moving from Carlisle.

He joined the Post Office in 1973 as a telecommunications engineer then moved into management and senior management positions in BT.

His experience covers; business development, customer service and business improvement. He specifically led projects in the creation of joint ventures in Europe and the USA, always championing the “customer led” approach. His final position in BT saw him lead business improvement projects using LEAN methodologies.

Robert took up post as Chairman of the Trust on 1st November 2014. He also chairs the Council of Governors, Charitable Trust Board, Remuneration Committee and has also chaired the Shared Services Board and Finance and Investment Committee.

Robert is a school governor at Britannia Bridge School, in Ince. On taking up the role of Chairman, Robert did not need to disclose any other significant commitments to the Council of Governors.

#### Qualifications

BSc – Open University, HNC Business and Finance, Telecommunications Certificates – City & Guilds.

## Non-Executive Directors cont.



**Neil Turner**  
**Deputy Chairman**

Reappointed 30/3/14 – 29/03/17

### Experience

Neil brings a vast amount of knowledge to the Trust, having had extensive experience of working within public services at local government level.

Neil was also Member of Parliament for Wigan for over 10 years and has campaigned at national level for improvements in health services and health funding within the Wigan constituency.



**Christine Parker Stubbs**  
**Senior Independent Director**

Reappointed 11/03/15 – 10/03/18

### Experience

Christine is an IT graduate with a broad range of experience delivering and managing IT in commercial environments. Following university, Christine worked as a consultant for Oracle, delivering bespoke IT solutions into North West based blue chip companies. Since then Christine has worked predominantly in the automotive sector, latterly as a Divisional IT Director at RAC Motoring Services, where she was responsible for the Business Solutions division. Christine's experience also includes the delivery of large scale business change and transformation projects.

Christine chairs the Trust's IM&T Strategy Committee.

Christine lives in the Wigan area with her young family.

### Qualifications

BSc (Hons) Computing and Information Technology (University of Surrey).



**Tony Warne**  
**Non-Executive Director**

Appointed 01/11/13 – 31/10/16

**Experience**

A Professor in Mental Health Care, Head of School, School of Nursing, Midwifery & Social Work and Associate Dean Research & Innovation for the College of Health and Social Care at the University of Salford. The School is one of the largest in the UK, with some 5000 students undertaking a range of programmes in nursing, social work, social policy, midwifery, psychotherapy, sociology, and criminology.

Tony worked in NHS mental health care services since 1975, both as a practitioner, and service manager. He left the NHS in 1995 to work at Manchester Metropolitan University, and then in 2006, was appointed Professor at the University of Salford.

The focus of his research interest is on inter-personal, intra-personal and extra-personal relationships, using a psychodynamic and managerialist analytical discourse. He has worked on and managed several multi-professional projects both within the university, but also with partners from other universities and from practice.

Tony has published extensively and is the Co-editor and author of the books *Using Patient Experience in Nurse Education* and *Creative Approaches to Health and Social Care Education*.

Tony is also the Nurse representative on the Council of Deans for Health Executive Committee, and hold a number of positions on national nursing and nurse education committees.

Tony chairs the Trust's Quality and Safety Committee.

**Qualifications**

JP, RMN, MBA, PhD



**Neil Campbell**  
**Non-Executive Director**

Appointed 01/11/14 – 31/10/17

**Experience**

Neil has been CEO of Alternative Futures since 2006, one of the top 100 charities and social businesses in the UK. He was previously CEO of NHS Argyll and Clyde, and before that CEO of NHS Grampian and Dumfries and Galloway Health Board. Neil has worked at Director-level in the North West NHS with extensive experience of partnership working between NHS, Social Care and 3rd sector.

Neil chairs the Trust's HR Committee.

**Qualifications**

Masters in Health Research (MA) Ba in Health Studies, Diploma in Professional Studies in Nursing (DPSN) Registered General Nurse (RGN), Registered Mental Nurse (RMN) Diploma in couples therapy (DCT)

## Non-Executive Directors cont.



### **Mick Guymer** **Non-Executive Director**

Appointed 01/08/15 – 31/07/18

#### **Experience**

Mick, a resident of Wigan for over 25 years, is an accountant who has worked in the NHS for 40 years, the latter 20 years as Director of Finance.

Mick also spent over five years as Project Director of a £500m PFI to re-develop the Central Manchester site and relocate the Manchester Children's Hospitals.

He is also currently a member of the Department of Health National Procurement Council and the Customer Board, for which he is also the Chairman of the Northern Board.

#### **Qualifications**

Mick is a member of the Chartered Institute of Public Finance & Accountancy (CIPFA).



### **Carole Hudson** **Non-Executive Director**

Appointed 01/07/15 – 30/06/18

#### **Experience**

Carole has extensive experience working in Local Government where she was a Chief Executive and Director of Finance for 27 years. She is a qualified accountant and has managed multi million pound budgets and had responsibility for the delivery of large scale public sector infrastructure projects.

Carole chairs the Trust's Audit Committee.

Carole has lived in the borough all her life.

#### **Qualifications**

Carole is a qualified accountant and a member of the Chartered Institute of Public Finance and Accountancy.



**Jon Lloyd**  
**Non-Executive Director**

Appointed 01/04/15 – 31/03/17

**Experience**

Until 2010, Jon was CEO of UK Coal Ltd an organisation of 3,000 staff members. Jon has extensive experience in leading on large scale change programmes. He was previously Head of Group Property, Halifax Bank of Scotland and currently holds a portfolio of Non-Executive Director roles in both the commercial and public sector organisations.

Jon chairs the Trust's Finance and Investment Committee.

**Qualifications**

Jon is a long standing Fellow of the Royal Institution of Chartered Surveyors holding a Bachelor of Science in Urban Estate Management.



**Geoff Bean**  
**Audit Chair**

Reappointed 01/08/11 to 31/07/15  
 Left post on 31/07/15

**Experience**

Geoff is a qualified accountant and has broad financial experience at Finance Director level. He has worked for over 35 years in a variety of international businesses.

After 13 years in the automotive industry, he worked in the paper industry in the USA, and in businesses using plastics and coated materials in environmental, sports equipment, consumer and safety products. He has also worked in businesses which supplied medical equipment and other medical products to the NHS. This was part of the connection which drew Geoff to his role at the Trust along with a strong belief in the NHS.

In addition to his financial roles he has held responsibility for procurement, sales, customer service and IT.

Geoff chaired the Trust's Audit Committee until leaving post on 31/07/15.

**Qualifications**

BSc, MSc, FCMA (Fellow of the Chartered Institute of Management Accountants).

## Non-Executive Directors cont.



### **Robert Collinson** **Non-Executive Director**

Reappointed 01/08/11 to 31/07/15  
Left post on 31/07/15

#### **Experience**

Robert has been qualified as a solicitor since 1988 and he has had broad experience in commercial legal practice. His professional work has included giving practical legal advice on many aspects of the law of direct relevance to the work of a NHS Foundation Trust.

He is currently a senior law lecturer in higher education and is also an external examiner for the Solicitors' Regulation Authority. Robert has previous experience of working in a governance role and has served as a Non-Executive Board Member of a housing association since 2005.

Robert chaired the Trust's HR Committee until leaving post on 31/07/15.

#### **Qualifications**

LLB First Class Honours - Lancaster University (1984).  
BCL (Masters degree in Law) Balliol College - University of Oxford (1985).  
Solicitors Final Examinations, passed with honours - The College of Law (1986).  
Qualified as a solicitor 1988.

## Executive Directors



### **Andrew Foster** Chief Executive

Seconded to Heart of England 16/02/15 – 02/11/15

#### **Experience**

Andrew was appointed as Chief Executive in January 2007 after a short secondment as Human Resources Director at Blackpool, Fylde and Wyre NHS Trust. Before that he spent five years as the NHS Director of Human Resources (Workforce Director General) at the Department of Health, with principal responsibility for implementing the workforce expansion and HR systems modernisation set out in the NHS Plan. This notably included the creation of the first ever NHS HR Strategy (the HR in the NHS Plan), the negotiation and implementation of the new Consultant Contract and Agenda for Change, three year pay deals and EU Working Time Directive compliance.

Previously, he spent two years as part time Policy Director (HR) at the NHS Confederation. Andrew was also the Chairman of Wrightington, Wigan and Leigh NHS Trust from 1996 to 2001 and before that Chairman of West Lancashire NHS Trust and Non-Executive Director at Wrightington Hospital NHS Trust.

On 16/02/15 Andrew took up a secondment to become the Acting Chief Executive at the Heart of England NHS Foundation Trust for a period of 6 months.

#### **Qualifications**

BA (Hons) in Philosophy, Politics and Economics from Keble College, Oxford, 1976.



### **Rob Forster** Director of Finance and Informatics/ Deputy Chief Executive

Acting Chief Executive from 16/02/15 – 02/11/15

#### **Experience**

Rob was appointed as Director of Finance and Informatics in July 2011, after joining the Trust as Deputy Director of Finance in April 2009. Rob took on the role of Acting Chief Executive during the period of Andrew Foster's secondment.

After qualifying in Law, Rob then went on to become a chartered accountant with PricewaterhouseCoopers, spending most of his professional and commercial accounting career at General Motors where he worked across Europe, including in Italy and Switzerland.

#### **Qualifications**

LLB (Hons) in Law  
ACA in Finance  
MBA in Business

## Executive Directors cont.



### **Dr Umesh Prabhu** **Medical Director**

Acting Deputy CEO from 16/02/15 – 02/11/15

#### **Experience**

Dr Umesh Prabhu joined the Trust in early 2010 from the Pennine Acute Hospitals NHS Trust where he held the position of Consultant Paediatrician based at Fairfield General Hospital. In 1992 was appointed as a Consultant Paediatrician to the Bury NHS Trust. After six years as lead clinician in Paediatrics, Dr Prabhu was appointed as Medical Director. As Medical Director he conducted an audit of all medico-legal cases and complaints.

His broad experience includes a period as a Non-Executive member of the National Patient Safety Agency (NPSA), National Clinical Assessment Service (NCAS) adviser on secondary care and Clinical Director for NHS Professionals. Dr Prabhu was also a member of Patient and Public Involvement Forum of Rochdale PCT.

Dr Prabhu was appointed Acting Deputy CEO from 16/02/15 ending on 02/11/15.

#### **Qualifications:**

MBBS, DCH, FRCPCH



### **Alison Balson** **Director of Workforce**

Appointed August 2015

Interim between February 2015 and August 2015

#### **Experience**

Alison joined the Trust in November 2013 as Deputy Director of HR, and was appointed Acting Director of HR and Organisational Development in February 2015. She was appointed substantively to the post in August 2015.

Alison has extensive experience in managing HR services and has worked in the NHS since 2001. Alison is responsible for the delivery of HR, training & education, organisational development, occupational health and communications services at the Trust.

#### **Qualifications**

MCIPD

MA in Human Resource Management & Development



**Richard Mundon**  
**Director of Strategy and Planning**

Appointed August 2015  
 Interim between December 2014 and August 2015

**Experience**

Richard is a very experienced public servant spending the majority of his career in the health sector. He has a degree in biological sciences and is a qualified accountant. He spent 25 years in the Department of Health joining in 1986 and working in a wide variety of roles in Birmingham, London and Leeds across a range of policy, management and corporate disciplines. He has worked with Ministers, had multi billion pound budget responsibilities, led large change programmes, developed performance management and planning regimes and was head of profession for programme and project management.

Amongst his many roles, he can list Project Manager on the 2000 NHS Plan and Director of Operations. Richard joined Wrightington, Wigan and Leigh NHS Foundation Trust in 2012 where he led projects on private patients, temporary staffing, back office functions and occupational health commercialisation. He became Interim Director of Strategy and Planning in December 2014 and was appointed substantively to the post in August 2015.

**Qualifications**

BSc (Hons) Biological Sciences  
 ACMA  
 CGMA



**Pauline Law**  
**Director of Nursing**

Appointed 15/03/16  
 Interim since February 2016

**Experience**

Pauline joined the trust in May 2012, on secondment as deputy director of nursing from Salford Royal NHS Trust. She was appointed to the substantive post of deputy director of nursing in May 2013. She took up the post of Acting Director of Nursing at the Trust in January 2016.

Pauline has extensive nurse leadership and operational management experience and has worked in the NHS for over 30 years. She has a strong community nursing background having worked as a district nurse until 2004 prior to moving into senior operational management and nurse leadership roles. Such roles have included project management for End of Life care across Salford and Trafford and Head of Community Adult Services. She moved back into a nurse leadership role at Salford Royal in 2011 prior to secondment at WWL in 2012.

Pauline studied nursing at Trafford School of Nursing before completing a Specialist Practice Course in district nursing. Pauline completed her MBA in 2010 and has since completed the NHS Leadership Academy Senior Operational Management Programme and the Waiting in the Wings (for Aspiring Directors) Programme.

Pauline is the professional lead for nursing and governance across the Trust and is responsible for Infection Prevention and Control.

**Qualifications**

RGN, DN, MBA

## Executive Directors cont.



### **Mary Fleming** Director of Operations and Performance

Appointed 15/03/16  
Interim since August 2015

#### **Experience**

Mary joined the Trust in January 2008 as Divisional Manager for Surgical Specialties and was appointed Acting Director of Operations and Performance on the 1st August 2015.

Mary has a strong patient focused operational background with extensive experience in leading service improvement and innovation across a variety of clinical disciplines, including Medicine, Surgery and Diagnostic Specialties. Mary worked in the Private sector before moving into healthcare and has worked in acute provider organisations across Greater Manchester and Yorkshire.

Mary studied Social History and Sociology and has a PGC in Managing Health and Social Care. Mary was incredibly proud to be nominated by the Trust, and listed as finalist by the North West Leadership Academy, in the category of NHS Emerging Leader of Year 2014 and was awarded the NHS Leadership Academy in Executive Healthcare Leadership in March 2015.

Mary is responsible for performance and the delivery of clinical services at the Trust.

#### **Qualifications**

PGC in Health and Social Care Management



### **Fiona Noden** Director of Performance and Operations

Left post on 31/07/15

#### **Experience**

Fiona joined the Trust in April 2010 as Deputy Director of Operations, and was appointed Director of Performance and Operations in June 2013.

Fiona has extensive experience in managing a range of clinical and diagnostic services, and prior to joining the Trust, was Director of Operations for Diagnostics and Clinical Support Services at Salford Royal NHS Foundation Trust. Fiona qualified as a Radiographer and has held a variety of clinical Radiography posts before moving into operational management.

Fiona is responsible for performance and the delivery of clinical services at the Trust.

#### **Qualifications**

Registered Diagnostic Radiographer  
PGC in Health & Social Care Management



**Mike Pye**  
**Acting Director of Finance**

Left post in August 2015

**Experience**

Mike is an experienced Director of Finance who has held such substantive roles at Liverpool Women's Hospital and Glasgow Children's Hospital where he was Director of Finance and IM&T as well as Acting Chief Executive. Mike left the NHS in 1999 to run his own freelance business providing financial services to the NHS.

Mike qualified as an accountant with St Helens MBC and held various posts culminating in the Education Department Finance Officer role prior to joining the NHS in 1989 as Senior Assistant Regional Treasurer (Strategic Financial Planning) with the then North Western Regional Health Authority. He moved to Liverpool Health Authority as Deputy DoF in 1990 and was seconded to the Liverpool Women's Hospital in 1991 prior to being appointed the Trust DoF in 1992.

Mike has held several Interim DoF roles since 1999 including at Wigan's Community Arm taking it to Trust status (as Bridgewater) in 2010. Mike has most recently worked for WWL as the Finance lead for the Service and Site investment Programme between 2012 and 2014. He became the Interim Director of Finance in February 2015.

**Qualifications**

CIPFA Accountant  
LLB Bachelor of Law



**Carolyn Wood**  
**Interim Director of Finance**

Appointed in August 2015 until 02/11/15

**Experience**

Carolyn joined the Trust in October 2014 as the Deputy Director of Finance and was appointed to Acting Director of Finance in August 2015.

Carolyn has worked in the NHS for twenty years and has gained a broad range of experience and knowledge by working within a range of organisations in the North West including acute providers, commissioners and over three years at the strategic health authority.

**Qualifications**

CPFA  
BSc (Hons) Biochemistry

## Executive Directors cont.



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### **Pauline Jones** **Director of Nursing**

Left post on 29/01/16

#### **Experience**

Pauline trained at Wigan and Leigh School of Nursing where she soon became a ward sister in acute medicine. Pauline left the organisation in the mid 1980s to assist her parents in setting up a residential care home for people with learning disabilities. She continued to work with them on a voluntary basis for a number of years.

Pauline chose to specialise in nursing the elderly and gained a specialist degree in this field. She went on to enjoy a variety of senior nursing and operational management positions across Greater Manchester and Merseyside before returning to the Trust in 2009 as Deputy Director of Nursing.

Pauline is very proud to be leading nursing in the hospitals where she trained and where she and her close family live. She strives to ensure all patients receive safe and effective care. She was appointed as Director of Nursing in June 2013. Pauline left the Trust in January 2016 moving to take up the position of Chief Nurse at Tameside Foundation Trust.

#### **Qualifications**

RGN, BA Hons. Healthcare Studies

## Balance of Board Membership

Our Board of Directors collectively considers that it is suitably composed with a balance of skills and experience appropriate to fulfil its function and operate within its Licence. (provision B.1.4).

During 2015/16 there have been changes in personnel of Executive Director posts for Strategy and Planning, Workforce, Finance and IM&T, Nursing and the Chief Executive with interim Acting Directors being appointed. Each of the Acting Directors was already working within the Trust, ensuring a smooth and effective transition from our own internal talent pool to enable continued support to the Board. The Trust has a robust plan in place for succession planning for Non-Executive Directors. During the year, three new Non-Executive Directors were appointed, to ensure that the Board continues to have the necessary balance of skills and experience. These appointments have secured the balance of the Board to have more Non-Executive Directors than Executive Directors in accordance with Monitor's best practice Code of Governance. More details of Board members are given earlier in this report.

## Independence of Non-Executive Directors

Consideration is given to the independence criteria laid down in the NHS Foundation Trust Code of Governance (provision B.1.1) and all the Non-Executive Directors of the Board are considered to be independent.

## Performance Evaluation and Decision Making

As required under Schedule A of the Code of Governance (A.1.1) the Board has resolved that certain powers and decisions may only be exercised or made by the Board; these powers and decisions are set out in the Schedule of Matters reserved for the Board of Directors. This details the roles and responsibilities of the Board, Council of Governors and Sub-Committees of the Board. The Foundation Trust has powers to delegate and make arrangements for delegation. The Standing Orders for the Practice and Procedure of the Board of Directors (Annex 8 of the Trust's Constitution) set out the detail of these arrangements. Under the Standing Order relating to the Arrangements for the Exercise of Functions by Delegation (Annex 8), the Board of Directors has the power to make arrangements on behalf of the Foundation Trust for the exercise of any of its powers by a formally constituted

committee of Directors or the Chief Executive, subject to such restrictions and conditions as the Board of Directors thinks fit.

The power which the Board of Directors has retained to itself within the Standing Orders may in emergency be exercised by the Chief Executive and the Chair after having consulted at least two non-executive Directors. The exercise of such powers by the Chief Executive and Chair shall be reported to the next formal meeting of the Board of Directors for ratification.

In accordance with the Code of Governance (B.6.1) the performance of the Executive Directors is evaluated by the Chief Executive, and that of the Chief Executive and Non-Executive Directors by the Chairman, on an annual basis. The outcomes of Executive Director appraisals are reported to a meeting of the Non-Executive Remuneration Committee. The Non-Executive Director Appraisal process is reported to the Council of Governors Nomination and Remunerations committee and in summary to a general meeting of the Council of Governors. A Non-Executive Director appointment may be terminated on performance grounds or for contravention of the qualification criteria set out in the Constitution, with the approval of three quarters of the members of the Council of Governors present and voting at the meeting, or by mutual consent for other reasons. Other decisions reserved to the Council of Governors include approval of the appointment (by the non-executive Directors) of the Chief Executive, appointment and removal of the Foundation Trust's External Auditor, agreement on additional audit services to be provided by the External Auditor and deciding the remuneration and allowances and the other terms and conditions of office of the Non-executive Directors

Our Executive Team provides organisational leadership and takes appropriate action to ensure that the Trust delivers its strategic and operational objectives. It maintains arrangements for effective governance throughout the organisation, monitors performance in the delivery of planned results and ensures that corrective action is taken when necessary. All Directors are required to comply with the requirements of the "fit and proper persons test" and have made an annual declaration of compliance in this regard.

The Trust commissioned Deloitte PLC to undertake a review of Board effectiveness, as recommended in the Code of Governance (B.6.2). This work was commissioned with the approval of the Council of Governors as additional non-financial audit work and the outcomes and management response have been fully reported to the Board and the Council of Governors.

## Director Register of Interests

At each meeting of the Board of Directors, there is a standing item requiring all Executive and Non-Executive directors to make known any interest in relation to the agenda and any changes to their declared interests.

Members of the public can gain access to the Register of Director's Interests by writing to Helen Hand, Trust Board Secretary, Wrightington, Wigan and Leigh NHS Foundation Trust, The Elms, Royal Albert Edward Infirmary, Wigan Lane, Wigan, WN1 2NN. Telephone 01942 822027 or email [helen.hand@wwl.nhs.uk](mailto:helen.hand@wwl.nhs.uk).

## Trust Board Attendance

| Non-Executive Directors                                      | Attendance 2015/16 |
|--|--------------------|
| Mr Robert Armstrong, Chairman                                | 11/11              |
| Mr Neil Turner, Deputy Chairman                              | 10/11              |
| Mrs Christine Parker Stubbs ,<br>Senior Independent Director | 08/11              |
| Mr Geoff Bean, Chair of Audit                                | 03/03              |
| Mr Robert Collinson  | 03/03              |
| Mr Tony Warne  | 10/11              |
| Mr Neil Campbell   | 09/11              |
| Mr Jon Lloyd   | 10/11              |
| Mr Mick Guymer   | 07/08              |
| Mrs Carole Hudson  | 08/08              |
| Executive Directors  | Attendance 2015/16 |
| Mr Andrew Foster, Chief Executive                            | 05/05              |
| Dr Umesh Prabhu, Medical Director                            | 10/11              |
| Mr Rob Forster, Director of Finance<br>and Informatics       | 11/11              |
| Mrs Pauline Jones, Director of Nursing                       | 06/09              |
| Mrs Fiona Noden, Director of Operations                      | 03/03              |
| Mr Richard Mundon, Director of Strategy                      | 10/11              |
| Mrs Alison Balson, Director of HR and OD                     | 09/11              |
| Mr Mike Pye, Interim Director of Finance                     | 02/03              |
| Mrs Carolyn Wood, Interim Director<br>of Finance             | 02/03              |
| Mrs Mary Fleming, Director of Operations<br>and Performance  | 07/08              |
| Mrs Pauline Law, Director of Nursing                         | 03/03              |



## Committees of the Board of Directors

During 2015/16 the Board had the following sub-committees:

- Nominations Committee
- Audit Committee
- Finance & Investment Committee
- Quality and Safety Committee
- Human Resources Committee
- Information Management and Technology (IM&T) Strategy Committee

## Review of system of effectiveness of internal controls

We have in place processes to conduct an annual review of the effectiveness of our system of internal controls. All sub-committees of the Board conduct an annual review of effectiveness. In addition the Audit committee received annual effectiveness reports from the Patient Engagement, Clinical Audit, Information Governance and Corporate Communications Committees. The annual governance statement provides more details on the internal controls; this is reported separately within the Annual Accounts.

## Remuneration Committee

We have established a Remuneration Committee in accordance with the Code of Governance (B.2.10). Its responsibilities include consideration of matters pertinent to the nomination, remuneration and associated terms of service for Executive Directors (including the Chief Executive) and remuneration of senior managers/clinical leaders. During 2015/16 interim arrangements were established by the committee for acting director posts as described earlier in this report.

Attendance during 2015/16 is given below for the following committees:

| Remuneration Committee      | Attendance 2015/16 | Audit Committee                                   | Attendance 2015/16 |
|-----------------------------|--------------------|---|--------------------|
| Mr Robert Armstrong (Chair) | 2/2                | Mr Geoff Bean<br>(Chair until 31st July 2015)     | 02/02              |
| Mr Geoff Bean               | 1/1                | Mr Robert Collinson                               | 05/07              |
| Mr Robert Collinson         | 1/2                | Mr Neil Turner                                    | 03/07              |
| Mr Neil Turner              | 1/2                | Mr Neil Campbell                                  | 05/05              |
| Mr Tony Warne               | 1/2                | Mrs Carole Hudson<br>(Chair from 1st August 2015) | 03/05              |
| Mrs Christine Parker Stubbs | 1/2                | Mr Mick Guymer                                    |                    |
| Mr Neil Campbell            | 2/2                |   |                    |
| Mr Jon Lloyd                | 2/2                |   |                    |
| Mrs Carole Hudson           | 1/1                |   |                    |
| Mr Mick Guymer              | 1/1                |   |                    |

## The Audit Committee

### Overview

The role of the Audit Committee is to provide independent assurance to the Board and Governors on the effectiveness of the governance processes, risk management systems and internal controls on which the Board places reliance for achieving its corporate objectives and in meeting its fiduciary responsibilities.

The process of gaining assurance is particularly important at the present time when hospitals and the whole healthcare system is going through enormous change and reform. The independent testing of the Board Assurance Framework is a key part of the work of the Audit Committee in order to ensure that risks are properly identified and that action plans are prepared and implemented to close gaps in assurance.

### The Committee

The Committee is open to all Non-Executive Directors (except for the Trust Chair) The Committee has met on 7 occasions in 2015/16. A new Chair of the Committee was appointed from 1st July following the retirement of Geoff Bean. The members of the Committee for 2015/16 and their attendance are as described on the table on page 77.

### Terms of Reference

The terms of reference for the Audit Committee were reviewed and updated in October 2015 for Board approval and a further review of the effectiveness of the Audit Committee and its terms of reference was carried out at the committee's request by Merseyside Internal Audit in March 2016.

The Audit Committee is supported by the Board Secretary and by the attendance of the Internal Auditors, Counter Fraud Specialist and the External Auditors to the Trust. Executive Directors routinely attend the meetings to report on governance, risk management and statutory and regulatory reporting. Other officers of the Trust are invited to attend to deal with specific matters under consideration.

### Work of the Audit Committee 2015/16

The following areas of work have been subject to review in 2015/16:

- Reviewing the work of the Internal Audit team. This includes consideration of the findings from 20 Audit

Reports and the follow up of outstanding actions from 26 reports. 6 Audit Reports were judged to be of limited assurance and the details of which are included in the Annual Governance Statement

- Reviewing the work and the findings of the External Auditor, assessing the effectiveness of the external audit process and the quality of service provided
- Reviewing the work of the Fraud team and ensuring the subsequent updating of policies to take account of gaps identified in policy
- Reviewing the work of the Committees of the Board and matters referred to the Audit Committee and referring matters from the Audit Committee to relevant committees for consideration of risks identified
- Reviewing the Annual Report (including the Quality Accounts) and Financial Statement before submission to the Board
- Reviewing the Accounting Policies used in the Annual Accounts
- Reviewing disclosure statements including the Annual Governance Statement, the Head of Internal Audit Opinion, the External Audit Opinion and the Statement of Compliance from the Trust regulator
- Reviewing the statement required under the Code of Governance from the Board that the annual report is far, balanced and understandable
- The assessment of the Trust as a 'Going Concern'
- The review of a report on the Care Quality Commission Registration and Annual Declaration and agreed the actions being taken
- Reviewing the Assurance process and its actions to mitigate risk
- Reviewing the processes for the update of the Risk Register and this year reviewing the process associated with changes in service delivery associated with the changes in commissioning arrangements
- Reviewing reports from all external agencies on the Trusts performance and compliance
- Reviewing the adequacy of the policies and procedures relating to fraud and corruption
- Reviewing the Clinical Audit Strategy, the programme of work, the references to the Quality Committee and the annual report
- Reviewing and updating the Raising Concerns Policy and its implementation
- Reviewing Losses and Special Payments Reports and Tender Waiver Reports
- Reviewing Gifts and Hospitality Registers to ensure compliance with the Trusts Standards of Business Conduct
- Reviewing the effectiveness of the Trusts Business Continuity Plan in respect of IT

- Reviewing the Charitable Funds Accounts
- Reviewing the Legal Services Annual Report and action plan
- Review of pharmacy stock management
- Review of the Overseas Patients Policy and referred to Board the requirement for the implementation of a new policy
- Review of the management of Mandatory Training (including safeguarding)
- A review of the risks associated with gaps in the register of Information Asset Owners was considered which requires an action plan in order to control data access, to prevent breaches of data protection
- A review of the administration of Charitable Funds
- A review of compliance with the complaints procedure
- A review of the delivery of the capital scheme Wrightington phase 1
- Oversight of the risk assessment associated with the implementation of HIS
- An audit of the compilation of reference costs
- A review of Information Asset Ownership/ access controls and archiving
- A deep dive of procedures in respect of agency recruitment
- A review of the contract schedule for IT
- A review of the outstanding risks associated with the HIS system

### **Risks and Issues arising from the work of the Audit Committee**

There are a number of risks which have been considered a part of the work of the Audit Committee and in the Annual Audit that could impact on the financial statements of the Trust these include:

- The risks associated with the implementation of the CCG 5 Year Plan and the Locality Plan and in particular the changes to services commissioned from the hospital and the subsequent impact on future income streams, including the potential for disputes and further arbitration
- Risks associated with the implementation of the HIS System and joint work has been carried out with the IMT Committee on outstanding risks
- The assumptions made in respect of valuations of property and disposals and their treatment in the accounts
- The implementation and impact of Vanguard proposals are not fully risk assessed
- Capital Expenditure and the assurance that the new assets are valued correctly and that depreciation charges commence at the correct time

- Financial reporting to keep the Board informed on how the Trust will meet the challenges of Carter targets and make the required efficiency gains

### **Internal Audit**

Merseyside Internal Audit Agency (MIAA) carry out our internal audit function. The Audit Committee and the Director of Finance work with MIAA to agree the Internal Audit Plan and key performance indicators for assessing their performance and effectiveness.

MIAA provide the trust with benchmarking data, updates on Trust assurance frameworks and briefing notes on a range of current issues. In particular MIAA provide good briefing sessions for Chairs of Audit Committees, Governors and staff.

### **Anti - Fraud**

The local anti-fraud function is very important in identifying and preventing fraud and operational risks to the Trust. The Trust has a zero tolerance policy in respect of fraud, corruption and bribery and investigations are carried out if evidence supports this. The Trust has a mandatory training eLearning anti-fraud module which has been rolled out across the Trust and all staff are required to pass this bi-annually.

The Local Anti-Fraud Specialist (LAFS) works regularly with staff and management in identifying areas of potential fraud risk and co-ordinates this work with external partners. The LAFS has provided an updated policy for the Trust on fraud corruption; bribery and a response plan in line with NHS protect recommendations and also amended the policy for the Trust to adopt in regards to overseas visitors and works with the Department of Health and the Home Office in respect to this.

### **External Audit**

The contract with Deloitte was extended with the approval of Governors, following a Governor Task and Finish Group, in January 2016 until May 2017. This allows the Trust to adopt the new National Framework for the Appointment of External Auditors in May 2016 and to take account of the implications of Vanguard.

A formal tender process for the appointment of new Auditors will commence in September 2016, utilising the new National Framework.

The value of non-audit services carried out by Deloitte for 2015/16 is £18,000.

**Looking Forward**

The Committee work plan, Internal Audit plan for 2016/17 and the Clinical Audit Programme subject to CQC was agreed in March 2016 and will take account of areas of risk identified and will cover all changes required by statutory and regulatory requirements.



## Quality Governance Reporting

During 2015/16 the Trust has had arrangements in place to govern service quality. These arrangements include having regard to Monitor's quality governance framework. The key metrics of Monitor's framework include patient satisfaction, staff satisfaction, executive team turnover, sickness absence rates, proportion of temporary staff and staff turnover as well as monitoring of cost reduction plans that could affect quality.

The Board Assurance Framework for 2015/16 included monitoring of key quality indicators, including reducing mortality figures, and aiming to be in the top 10% of Trusts for all performance targets.

The Trust launched a new quality strategy in April 2014 linked to our key quality drivers of being safe, effective and caring. Later in this report, information is provided from Divisions and Departments on initiatives undertaken to bring about quality improvements during 2015. The quality account section of this report provides a greater level of detail on how the Trust has performed against a wide range of quality indicators aimed at improving the experience of patients who use our services.

The Annual Governance Statement (AGS) can be found on page 120 of the report. This statement sets out the steps that have been put in place to assure the Board that the governance arrangements for maintaining a sound system of internal control are in place. Section 4.3 of the AGS outlines the processes in place for the quality governance arrangements. Part 2 of the Quality Accounts provides details of the Trust's performance against key healthcare targets, the monitoring arrangements for improving quality and the Trust's performance against Commissioning for Quality and Innovation (CQUIN) and the CQC targets. Our partnership arrangements with key stakeholders are also described.

Accounting policies for pensions and other retirement benefits are set out in the note to the accounts and details of senior employees' remuneration can be found in page 93 of the remuneration report.

## Disclosure to Auditors

For each individual Director, so far as he or she is aware, there is no relevant audit information of which the auditors are unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. All Directors have taken the necessary steps as required of a Director to exercise reasonable care, skill and diligence.

## Statement of accounts preparation

The Directors can confirm that the accounts have been prepared under directions issued by Monitor, the independent Regulator for Foundation Trusts, as required by Paragraph 24 and 25 of Schedule 7 to the National Health Service Act, in accordance with the NHS Annual Reporting Manual 2015/16 and Monitor Code of Governance. During the 2015/16 reporting period the Trust did not make any political or charitable donations.

## Working with the Council of Governors

## Role and Responsibilities

The Trust is accountable to the members through a Council of Governors (CoG). The Council of Governors (CoG) is responsible for representing the interests of patients, public and staff members and local partner organisations in the governance of the Trust and has specific responsibility for the appointment of the Chairman, Non-Executive Directors and the Trust's External Auditors.

The Council of Governors also approve the appointment of the Chief Executive and the remuneration and terms of office of the Chairman and Non-Executive Directors. The CoG receives our Annual Report and Accounts and comments on our forward plans. The Council of Governors supports us in an advisory capacity, communicating the views and comments of the wider membership community to the Board of Directors. In addition, the Council of Governors advises on the longer-term strategic direction of the Trust.

## Terms of office and attendance

The Council consists of the Chairman of the Trust and 28 elected or appointed Governors. The Trust received authorisation as a Foundation Trust on 1 December 2008. Details of our Governors' terms of office and attendance at meetings as required by Schedule A of the Code of Governance (section A.5.3) are given below:

| Public Governors               | Public Constituency | Term of Office | Attendance at meetings 2015/16 |
|--------------------------------|---------------------|----------------|--------------------------------|
| Bill Greenwood OBE             | Wigan               | 2018           | 04/05                          |
| Pauline Gregory                | Wigan               | 2016           | 04/05                          |
| Maggie Skilling                | Wigan               | 2018           | 000004/05                      |
| Mr Bill Anderton               | Wigan               | 2016           | 04/05                          |
| Anne Vernengo                  | Leigh               | 2015           | 00/02                          |
| Gordon Jackson                 | Leigh               | 2016           | 02/05                          |
| Linda Sykes                    | Leigh               | 2016           | 05/05                          |
| Corinne Taylor Smith           | Leigh               | 2017           | 02/05                          |
| Geoff Vaughan                  | Leigh               | 2018           | 01/03                          |
| Margaret Hughes                | Makerfield          | 2015           | 02/02                          |
| James Lee                      | Makerfield          | 2016           | 05/05                          |
| Kathryn Drury                  | Makerfield          | 2017           | 05/05                          |
| Fred Lever                     | Makerfield          | 2018           | 05/05                          |
| Helen Ash                      | Makerfield          | 2018           | 02/03                          |
| Vincent France                 | Eng & Wales         | 2015           | 00/02                          |
| Tom Frost                      | Eng & Wales         | 2018           | 04/05                          |
| Bill Baker                     | Eng & Wales         | 2017           | 00/05                          |
| Beth Taylor<br>(resigned 2015) | Eng & Wales         | 2015           | 00/02                          |
| David Thompson                 | Eng & Wales         | 2018           | 03/03                          |
| Elaina Dinerstein              | Eng & Wales         | 2018           | 02/03                          |

| Staff Governors | Staff Constituency    | Term of Office | Attendance at meetings 2015/16 |
|-----------------|-----------------------|----------------|--------------------------------|
| Nick Flatt      | Medical and Dental    | 2015           | 01/02                          |
| Julie Ann Cook  | Nursing and Midwifery | 2015           | 01/02                          |
| Christine Swann | All Other Staff       | 2015           | 00/02                          |
| Andy Savage     | All Other Staff       | 2017           | 05/05                          |
| James Yates     | All Other Staff       | 2018           | 03/03                          |
| Diane Lawrenson | Nursing and Midwifery | 2018           | 02/03                          |
| Marie Hart      | Nursing and Midwifery | 2018           | 03/03                          |
| Tim Board       | Medical and Dental    | 2018           | 02/03                          |

| Nominated Governors  | Constituency             | Term of Office | Attendance at meetings 2015/16 |
|--|--------------------------|----------------|--------------------------------|
| Dr D Trivedi, Wigan Borough CCG                                | Partnership Organisation | 2015           | 00/02                          |
| Dr S Shah, Wigan Local Medical Committee                       | Partnership Organisation | 2016           | 03/05                          |
| Wigan Council – Cllr Fred Walker                               | Partnership Organisation | 2017           | 05/05                          |
| Wrightington Wigan and Leigh Staff Side Committee – Jean Heyes | Partnership Organisation | 2017           | 00/05                          |
| Age UK Wigan – Jim Maloney                                     | Partnership Organisation | 2017           | 02/02                          |
| Age UK Wigan – Reg Nash  | Partnership Organisation | 2018           | 03/03                          |
| University of Central Lancashire – Ann Foley                   | Partnership Organisation | 2015           | 00/02                          |
| University of Central Lancashire – Dawne Garbutt               | Partnership Organisation | 2018           | 00/03                          |
| 5 Boroughs Partnership NHS Trust – Donna Lynch                 | Partnership Organisation | 2018           | 01/05                          |

## Governor elections

Between June and September 2015 the Electoral Reform Services conducted the Governor election process on our behalf. The election results were announced at the Trust's Annual Public Meeting held on Thursday 17th September 2015.

## Governor register of interests

Members of the public can gain access to the register of Governors' interests by writing, telephoning or emailing the Trust Board Secretary, Trust HQ, The Elms, Royal Albert Edward Infirmary, Wigan Lane, Wigan, WN1 1AH. Helen.hand@wwl.nhs.uk Tel: 01942 822027

## Working with the Board of Directors

Members of the Board of Directors meet regularly with the Council of Governors in accordance with the Code of Governance (E.1.5.). The Chief Executive is invited to all meetings and provides a regular report on our performance. All formal Council of Governor meetings are open to the public. Governors also hold informal meetings between formal Board meetings. Directors attend meetings of the Council of Governors to present on their personal portfolios. Executive and Non-Executive Directors combine with Governors to undertake combined patient safety walkabouts using appreciative enquiry techniques to gain assurance on the quality and safety of the services we provide.

The Governors have met with the Trust Board to discuss key issues and challenges facing us: they are involved in many committees including the Service and Site Investment Committee and Quality and Safety Committee, Divisional Quality Executive Committees being some examples. Governors are invited to observe Trust Board meetings and provision is made for questions to be asked. The Board also meet jointly with the Council of Governors twice a year.

## Working with Members and the Public

The Council of Governors canvass the opinion of the Trust's members and the general public in accordance with the Code of Governance (B.5.6) through regular communication networks. The views of members and the public have been taken into account in the formulation

of the Trust's forward plan and future strategy through engagement on service redesign initiatives, some examples being out-patient services, tissue donation and effectiveness of discharge arrangements. The Governors produce a members' newsletter two times a year to keep members informed of what is happening at the Trust and forthcoming developments.

## Council of Governor Sub-Committees

The Council of Governors has a number of established subcommittees to support fulfilment of their duties. These are:

- Communications
- Engagement
- Nomination and Remuneration
- External Auditor Appointment

### Communications Sub-Committee

This committee oversaw the production of two membership newsletters during the year. This magazine for members acts as an excellent medium for Governors to inform the membership of their activities as Governors and the key happenings around the Trust.

### External Auditor Appointment Committee

The committee undertook a review of external auditor performance and considered the extension of the existing contract recommending a one year extension that was approved by the Council of Governors.

### Engagement Committee

The Engagement committee reviews key areas of Trust performance relating to patient experience, including review of action plans to address improvements from the national patient survey programme.

### Nomination and Remuneration Sub-Committee

The Council of Governors' Nomination and Remuneration Committee has met on 2 occasions during the reporting period. During 2015/16, the Committee oversaw the appraisal process for the Chairman, and Non-Executive Directors for recommendation to, and approval by, the Council of Governors. The committee also reviewed the succession plans for Non-Executive Directors on the Board.

The Nomination and Remuneration Sub-committee membership is as follows:

| Member           | Constituency                         | Attendance |
|------------------|--------------------------------------|------------|
| Robert Armstrong | Chairman                             | 2/2        |
| Margaret Hughes  | Elected:<br>Makerfield Public        | 2/2        |
| Jean Heyes       | Appointed:<br>Staff Side             | 2/2        |
| Tom Frost        | Elected: England<br>and Wales Public | 2/2        |
| Bill Greenwood   | Elected: Wigan<br>Public             | 1/2        |
| Gordon Jackson   | Elected: Leigh<br>Public             | 1/2        |
| James Maloney    | Appointed<br>Age UK Wigan            | 1/2        |

## Membership

There is a robust plan to continue to develop and maintain a steady increase in our public membership, whilst maintaining staff members.

The current membership figures are as follows:

### Total Public Members – 9,018

This table gives a breakdown of membership by public constituency:

|                  | Wigan | Leigh | Maker-field | Out of Borough |
|------------------|-------|-------|-------------|----------------|
| Total Males      | 993   | 697   | 837         | 761            |
| Total Females    | 1476  | 1165  | 1154        | 992            |
| Not Given        | 271   | 157   | 183         | 332            |
| Total Membership | 2740  | 2019  | 2174        | 2085           |

This table gives a breakdown of membership by staff constituency:

|                  | Medical and Dental | Nursing and Midwifery | All Other Staff | Total Figures |
|------------------|--------------------|-----------------------|-----------------|---------------|
| Total Males      | 215                | 66                    | 521             | 802           |
| Total Females    | 73                 | 1118                  | 2284            | 3475          |
| Total Membership | 288                | 1184                  | 2805            | 4277          |

### Membership Strategy

The Membership Development Strategy was revised during 2014. The recruitment target is to increase the public membership by 200 members a year up to 2017, whilst maintaining the staff membership. Key emphasis is on sustaining engagement with the existing membership.

The Membership Development Manager supports the Council of Governors in recruiting and maintaining the membership. Governors have been actively involved in recruiting new members.

### Contacting Governors

Members wishing to contact Governors of the Trust can do so by contacting the Membership Office on free-phone 0800 0731477.

### How to become a Member

Membership is open to anyone aged 16 years and over. Public membership is open to anyone in England and Wales although the majority of members are drawn from within the boundary of the Wigan Borough. Staff automatically become members if they have been employed by us under a contract of employment which has no fixed term or has a fixed term of at least 12 months, or have been continuously employed by us for at least twelve months, unless they chose to opt out. The public and staff membership classes are shown in the tables on the previous page.

### Maintaining a Representative Membership

In accordance with the Code of Governance (E.1.6) membership profiling has been conducted independently by the Electoral Reform Service on our behalf and this has showed us to have a representative membership. Further information about membership engagement can be found in the Patient and Public Engagement section of this report.

### Events for Members

Members were invited to the annual public and members meeting where key note speaker Mr Anil Gambhir, Consultant Orthopaedic Surgeon, spoke about the wonderful work that takes place at the internationally known specialist orthopaedic service at Wrightington Hospital. An information market place was also available on the evening.

## Remuneration Report

Remuneration and pension entitlements of senior managers.

## Annual Statement from the Chairman of the Trust's Remuneration Committee

I am pleased to present the Director's Remuneration Report for the financial year 2015/16 on behalf of the Trust's two remuneration committees. The Remuneration Committee is established by the Board of Directors, with primary regard to Executive Directors and the Nomination and Remuneration Committee is established by the Council of Governors, with regards to Non-Executive Directors. All decisions on pay and conditions for Executive Directors and Non-Executive Directors are determined by the appropriate committee, both of which have documented and approved terms of reference.

In accordance with requirements we have divided this Remuneration Report into the following parts:

- The senior managers' Remuneration Policy, and
- The Annual Report on Remuneration includes details about senior managers' remuneration

### Major decisions on remuneration

The Trust's remuneration committees' aim to ensure that Non-Executive and Executive Directors' remuneration is set appropriately, taking into account relevant market conditions. The committees fulfil their responsibilities and report directly to the Board of Directors or Council of Governors.

During 2015/16 there was no change to the Chief Executive Officer or Executive Director pay scales with the exception of the Director of Finance. Benchmarking against national data demonstrated that the use of a single pay scale for Executive Directors was not appropriate based on market forces factors for the Director of Finance. The Remuneration Committee agreed to an adjustment in salary for the Director of Finance. The Medical Director remained on a personal spot salary which was not aligned to the consultant contract.

The Trust complied with need to report pay to NHS England regarding salaries above the Prime Ministers salary. Pay was moved onto an existing incremental pay point following either the appointment of a new Director or performance met the requirements necessary to trigger a pay increase. Increases in pay for Executive Directors were aligned to progress through pay-scale subject to achieving set performance criteria. New Executive Directors were appointed onto existing Executive Director pay-scales.

During the course of the year the Chief Executive Officer was on a secondment to another Trust which resulted in a requirement to backfill the Director of Finance for a number of months in the year. This was an off payroll engagement; however, all relevant assurances for tax and national insurance were provided.



**Robert Armstrong**  
Chairman

25 May 2016

## **Senior Managers Remuneration Policy**

### **Service Contract Obligations**

The contracts of employment for all senior managers are substantive (permanent), continuation of which is subject to regular and rigorous review of performance. Such contracts contain a notice period of three months, with the exception of the Chief Executive Officer which is six months.

### **Policy on payment for loss of office**

All senior managers contracts contain a notice period of three months, with the exception of the Chief Executive Officer which is six months. In relation to loss of office; if this is on the grounds of redundancy, then this would be calculated in line with agenda for change methodology and consistent with NHS redundancy terms and maximum caps. Loss of office on the grounds of gross misconduct will result in a dismissal without payment of notice.

### **Statement of consideration of employment conditions elsewhere**

In setting the remuneration policy for senior managers, consideration was given to the pay and conditions of employees on Agenda for Change. In determining non incremental pay uplift for Executive Directors and other senior managers consideration is given to any national pay award decisions. The remuneration for Executive Directors is reviewed annually based on benchmark data and the same performance criteria that applies for incremental pay progression for all Agenda for Change staff, as set out in the Trust Pay Progression Policy. This policy was completed in partnership with Staff Side and approved by the Partnership Council.

## Annual Report on Remuneration

| Salaries and benefits 2015/16  | Salary<br>(bands of<br>£5,000) | Taxable<br>Benefits (to<br>the nearest<br>£100) | Pension<br>related<br>benefits<br>(bands of<br>£2,500) | Total bands<br>of £5,000 |
|--|--------------------------------|---|--|--------------------------|
| Robert Armstrong<br>Chairman   | 45 - 50                        | 0   | 0  | 45 - 50                  |
| Andrew Foster<br>Chief Executive*  | 100 - 105                      | 0   | 2.5 - 5.0  | 105 - 110                |
| Robert Forster<br>Acting Chief Executive 01.04.15 to 01.11.15                                  | 110 - 115                      | 0   | 7.5 - 10.0   | 120 - 125                |
| Robert Forster<br>Director of Finance and Informatics/<br>Deputy Chief Executive from 02.11.15 | 60 - 65                        | 0   | 7.5 - 10.0   | 65 - 70                  |
| Richard Mundon<br>Director of Strategy and Planning  | 110 - 115                      | 7,500   | 2.5 - 5.0  | 120 - 125                |
| Pauline Jones<br>Director of Nursing from 01.04.15 to 31.01.16                                 | 100 - 105                      | 0   | 0 - 2.5  | 100 - 105                |
| Pauline Law<br>Acting Director of Nursing from 01.06.15 to 30.09.15                            | 30 - 35                        | 0   | 2.5 - 5.0  | 35 - 40                  |
| Pauline Law<br>Acting Director of Nursing from 16.01.16 to 31.03.16                            | 20 - 25                        | 0   | 2.5 - 5.0  | 20 - 25                  |
| Fiona Noden<br>Director of Operations and Performance from<br>01.04.15 to 02.08.16             | 40 - 45                        | 0   | 0 - 2.5  | 40 - 45                  |
| M Fleming<br>Acting Director of Performance 01.08.15 to 31.03.16                               | 65 - 70                        | 0   | 2.5 - 5.0  | 65 - 70                  |
| Alison Balson<br>Director of Workforce   | 95 - 100                       | 0   | 0  | 95 - 100                 |
| Umesh Prabhu<br>Medical Director   | 180 - 185                      | 0   | 5 - 7.5  | 190 - 195                |
| Carolyn Wood<br>Acting Director of Finance 17.08.15 to 2.11.15                                 | 20 - 25                        | 0   | 0 - 2.50   | 20 - 25                  |
| Geoff Bean<br>Non-Executive Director 01.04.15 to 31.07.15                                      | 5 - 10                         | 0   | 0  | 5 - 10                   |
| Robert Collinson<br>Non-Executive Director from 01.04.15 to 31.07.15                           | 0 - 5                          | 0   | 0  | 0 - 5                    |
| Neil Turner<br>Non-Executive Director  | 15 - 20                        | 0   | 0  | 15 - 20                  |
| Christine Parker Stubbs<br>Non-Executive Director  | 15 - 20                        | 0   | 0  | 15 - 20                  |
| Anthony Warne<br>Non-Executive Director  | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Neil Campbell<br>Non-Executive Director from 1.11.14   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Jonathan Lloyd<br>Non Executive Director   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Michael Guymer<br>Non Executive Director 01.08.15 to 31.03.16                                  | 5 - 10                         | 0   | 0  | 5 - 10                   |
| Carole Hudson<br>Non Executive Director from 01.07.15 to 31.03.16                              | 10 - 15                        | 0   | 0  | 10 - 15                  |

All of the above Directors were in post for the 12 month period to 31st March 2016 except where indicated.

During the period 1st April 2015 to 14th November 2015 Andrew Foster, Chief Executive was seconded to the Heart of England NHS Foundation Trust as interim Chief Executive for 4 days per week. His salary in the above table excludes the element of salary recharged to the Heart of England NHS Foundation Trust.

Robert Foster, Director of Finance and Informatics was appointed as Acting Chief Executive following Andrew Foster's secondment to the Heart of England NHS Foundation Trust.

No annual performance or long term performance related bonuses were paid during the period.

Taxable benefits relate to travel expenses.

No senior manager in the current or previous financial year has received a payment for loss of office.

| Salaries and benefits 2014/15   | Salary<br>(bands of<br>£5,000) | Taxable<br>Benefits (to<br>the nearest<br>£100) | Pension<br>related<br>benefits<br>(bands of<br>£2,500) | Total bands<br>of £5,000 |
|---|--------------------------------|---|--|--------------------------|
| Les Higgins<br>Chairman to 31.10.14   | 25 - 30                        | 0   | 0  | 25 - 30                  |
| Robert Armstrong<br>Chairman from 1.11.15   | 30 - 35                        | 0   | 0  | 25 - 30                  |
| Andrew Foster<br>Chief Executive*   | 165 - 170                      | 0   | 0  | 165 - 170                |
| Robert Forster<br>Acting Chief Executive from 16.2.15   | 15 - 20                        | 2,800   | 0  | 20 - 25                  |
| Silas Nicholls<br>Director of Strategy and Planning/<br>Deputy Chief Executive to 14.12.14                | 90 - 95                        | 3,600   | 0  | 95 - 100                 |
| Richard Mundon<br>Director of Strategy and Planning from 15.12.14   | 25 - 30                        | 0   | 0  | 25 - 30                  |
| Robert Forster<br>Director of Finance and Informatics/<br>Deputy Chief Executive from 15.12.14 to 15.2.15 | 20 - 25                        | 0   | 0  | 20 - 25                  |
| Robert Forster<br>Director of Finance and Informatics to 14.12.14   | 85 - 90                        | 0   | 0  | 85 - 90                  |
| Mike Pye<br>Acting Director of Finance from 23.2.15   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Pauline Jones<br>Director of Nursing  | 115 - 120                      | 0   | 0  | 115 - 120                |
| Fiona Noden<br>Director of Operations and Performance   | 115 - 120                      | 0   | 0  | 115 - 120                |
| Jonathan Lenney<br>Director of Human Resources and Organisational<br>Development to 31.1.15               | 100 - 105                      | 5,100   | 0  | 105 - 110                |
| Alison Balson<br>Acting Director of Human Resources from 1.2.15   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Umesh Prabhu<br>Medical Director  | 175 - 180                      | 0   | 0  | 175 - 180                |
| Robert Armstrong<br>Non Executive Director to 31.10.14  | 0 - 5                          | 0   | 0  | 0 - 5                    |
| Louise Barnes<br>Non-Executive Director   | 15 - 20                        | 0   | 0  | 20 - 25                  |
| Geoff Bean<br>Non-Executive Director  | 15 - 20                        | 0   | 0  | 15 - 20                  |
| Robert Collinson<br>Non-Executive Director  | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Neil Turner<br>Non-Executive Director   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Christine Parker Stubbs<br>Non-Executive Director   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Anthony Warne<br>Non-Executive Director   | 10 - 15                        | 0   | 0  | 10 - 15                  |
| Neil Campbell<br>Non-Executive Director from 1.11.14  | 5 - 10                         | 0   | 0  | 5 - 10                   |

All of the above Directors were in post for the 12 month period to 31st March 2015 except where indicated.

No annual performance or long term performance related bonuses were paid during the period.

Taxable benefits in kind relate to lease cars acquired under the Trust's salary sacrifice scheme.

No senior manager in the current or previous financial year has received a payment for loss of office.

During the year 2 senior managers were paid more than £142,500. In both cases, benchmark salary information for comparative jobs within the NHS was considered at the time of appointment and it was concluded that the remuneration agreed was appropriate and reasonable for the current post holders.

| Pension entitlements year ended 31st March 2016       | Real increase in pension at age 60 (bands of £2,500) | Real increase in pension lump sum at age 60 (bands of £2,500) | Total accrued pension at age 60 as at 31 March 2016 (bands of £5,00) | Lump sum at age 60 related to accrued pension at 31 March 2016 (bands of £5,000) | Cash Equivalent Transfer Value at 31 March 2016 | Cash Equivalent Transfer Value at 31 March 2016 | Real increase in Cash Equivalent Transfer Value |
|---|--|---|--|--|---|---|---|
|   | £000   | £000  | £000   | £000   | £000  | £000  | £000  |
| Andrew Foster   | 2.5 - 5  | 12.5 - 15   | 20 - 25  | 70 - 75  | 0   | 0   | 0   |
| Robert Forster<br>Acting Chief Executive              | 7.5 - 10   | 0   | 15 - 20  | 0  | 196   | 120   | 53  |
| Richard Mundon<br>Director of Strategy & Planning     | 2.5 - 5  | 0   | 5 - 10   | 0  | 86  | 56  | 21  |
| Pauline Jones<br>Director of Nursing                  | 0 - 2.5  | 2.5 - 5   | 25 - 30  | 75 - 80  | 539   | 492   | 24  |
| Pauline Law<br>Acting Director of Nursing             | 2.5 - 5  | 7.5 - 10  | 30 - 35  | 95 - 100   | 654   | 558   | 13  |
| Fiona Noden<br>Director of Operations and Performance | 0 - 2.5  | 0 - 2.5   | 40 - 45  | 115 - 120  | 715   | 654   | 13  |
| Mary Fleming<br>Acting Director of Performance        | 2.5 - 5  | 7.5 - 10  | 20 - 25  | 65 - 70  | 397   | 315   | 37  |
| Umesh Prabhu<br>Medical Director                      | 5 - 7.5  | 15 - 17.5   | 75 - 80  | 225 - 230  | 0   | 1,629   | 0   |
| Carolyn Wood<br>Acting director of Finance            | 0 - 2.5  | 0 - 2.5   | 20 - 25  | 55 - 60  | 298   | 226   | 12  |

| Pension entitlements year ended 31st March 2015                               | Real increase in pension at age 60 (bands of £2,500) | Real increase in pension lump sum at age 60 (bands of £2,500) | Total accrued pension at age 60 as at 31 March 2016 (bands of £5,000) | Lump sum at age 60 related to accrued pension at 31 March 2016 (bands of £5,000) | Cash Equivalent Transfer Value at 31 March 2016 | Cash Equivalent Transfer Value at 31 March 2016 | Real increase in Cash Equivalent Transfer Value |
|---|--|---|---|--|---|---|---|
|   | £000   | £000  | £000  | £000   | £000  | £000  | £000  |
| Andrew Foster<br>Chief Executive  | 2.5 - 5  | 7.5 - 10  | 15 - 20   | 55 - 60  | 0   | 361   | 0   |
| Robert Forster<br>Acting Chief Executive                                      | 2.5 - 5  | 0 - 2.5   | 10 - 15   | 0 - 5  | 120   | 89  | 20  |
| Silas Nicholls<br>Director of Strategy and Planning/Deputy Chief Executive    | 0 - 2.5  | 1.5 - 20  | 15 - 20   | 50 - 55  | 252   | 233   | 6   |
| Richard Mundon<br>Director of Planning  | 0 - 2.5  | 0 - 2.5   | 2.5 - 5.0   | 0 - 2.5  | 56  | 35  | 4   |
| Pauline Jones<br>Director of Nursing  | 0 - 2.5  | 5.0 - 7.5   | 20 - 25   | 70 - 75  | 492   | 430   | 35  |
| Fiona Noden<br>Director of Operations and Performance                         | 0 - 2.5  | 5.0 - 7.5   | 35 - 40   | 110 - 115  | 654   | 586   | 36  |
| Jonathan Lenney<br>Director of Human Resources and Organisational Development | 0 - 2.5  | 5.0 - 7.5   | 40 - 45   | 130 - 135  | 792   | 701   | 42  |
| Umesh Prabhu<br>Medical Director  | 0 - 2.5  | 2.5 - 5.0   | 65 - 70   | 205 - 210  | 1,629   | 1,514   | 51  |

Non-Executive Directors do not receive pensionable remuneration; there will be no entries in respect on pensions for Non-Executive Directors.

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when a member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accumulated as a consequence of their total membership of the scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

### Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report.

Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

### Remuneration Sub Committee

Director's salaries (excluding Non-Executive Directors) are determined by the Trusts Remuneration Committee, the membership consisting of the Chairman and all the Non Executive Directors. The policy of the committee is to motivate and reward executive directors fairly, individually and collectively to recruit and retain high quality people, ensuring a clear link between pay increases and the achievement of individual key tasks and overall corporate performance. The purpose of the Committee is to consider the remuneration and terms of service, including any performance related elements and the provision of other benefits, for executive members of the Trust Board. The Committee will review individual director's performance against agreed measurement factors for key tasks approved by the Trust Board. In addition they advise the Chairman on any termination arrangements for the Chief Executive, and advise the Chief Executive on any termination arrangements, other than the contractual 12 week period of notice, for executive board members.

The benefits in kind shown are in relation to non-cash benefits as a contribution towards the leased vehicle scheme as part of the executives' remuneration.

During the period there were no compensation payments made to former senior managers nor any amounts payable to third parties for the services of a senior manager

Independence of Non-Executive Directors is established in accordance with the Monitor NHS Foundation Trust Code of Governance (2010), provision A.3.1

### Directors' and Governors' expenses

Expenses paid to directors include all business expenses arising from the normal course of business of the Trust and are paid in accordance with the Trust's policy. The total amount of expenses reimbursed to fourteen Directors during the year was £9,236. (14, £15,745 in 2014/15). There are 15 Directors in office (8 Non-Executive Directors and 7 Executive Directors).

The total amount of expenses reimbursed to eleven Governors during the year was £709 (8, £1,406 in 2014/15). There are 29 Governors in office.

### Hutton Review of Fair Pay

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director

in their organisation and the median remuneration of the organisation's workforce. In this context the median is defined as the total remuneration of the staff member who lies in the middle of the linear distribution of staff, excluding the highest paid director. The median is based on the annualised, full time equivalent remuneration for the year excluding employers' costs.

The banded remuneration of the highest paid director of Wrightington, Wigan and Leigh NHS Foundation Trust in the financial year 2015/16 was £180-£190k (2014/15 £175k to £180k). This was 7.3 times (2014/15 7.5 times) the median remuneration of the workforce, which was £24,063 (2014/15 £23,768).

In 2015/16, 16 employees received remuneration in excess of the highest paid director (2014/15 10 employees). Their remuneration in 2015/16 ranged from £180k to £252k (2012/13 £177k to £226k).

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

The year on year change in the ratio is considered negligible.

As in previous years, temporary agency staff are excluded from the calculations. The calculation methodology is kept the same so that the 2015/16 results are comparable with those in previous years.

|  | Financial Year<br>2015/16 | Financial Year<br>2014/15 |
|--|---------------------------|---------------------------|
| Band of highest paid director's remuneration (£'000) | 180-185                   | 175-180                   |
| Median total (£)                                     | 24,063                    | 23,768                    |
| Ratio  | 7.36                      | 7.47                      |



**Andrew Foster**  
Chief Executive

25 May 2016



## Staff Report

It's been a year of change and challenge for the Workforce Directorate this year but each team has responded with the usual positivity and enthusiasm.

A number of senior team members have 'acted up' and changed roles. By the end of the financial year full stability, with an increased resource within our Staff Engagement team in order to continue to deliver our People Strategy, will have been achieved.

Internally, there have been new processes and protocols designed to show evidence that our Trust is well led and that our staff have the right skills and qualifications to perform their roles. We've listened to our staff and worked in Partnership to refresh our 'Raising Concerns' Policy so that Trust employees can feel assured that their issues will be responded to quickly, appropriately and with confidentiality. We have also worked with our staff side colleagues, exploring informal conflict resolution routes and we have developed a cohort of accredited workplace mediators.

Externally, our year has had a focus on building relationships and networks with other Greater Manchester NHS colleagues via the programmes of work underpinned by the Healthier Together initiative and the Trust's Vanguard bid. Both of these routes have given the Workforce Directorate a platform to explore with Bolton and Salford colleagues collaborative projects in order to develop new ways of working, discover best practice and identify efficiency schemes. The Wigan Borough Workforce team are also leading the way across Greater Manchester in generating shared initiatives, having held a number of networking events, called 'On the Bus' where staff from within all public social and healthcare organisations in the borough could share ideas which could benefit our local population.

### **Focus on Staff Engagement and Health & Well Being**

At a Trust wide level, WWL has significantly improved on a number of engagement measures over the last 12 months including improved staff recognition, as a result of the successful "Going the extra mile" staff recognition scheme. We have continued to sustain the position of being in the top 10% of NHS Trusts for staff recommending us as a place to work and we are viewed as forward thinkers for staff engagement within the NHS.

This year we have continued to engage staff at local levels within their teams, through our staff engagement 'pioneer teams' programme. Forty teams have been through the programme, which features a comprehensive staff engagement diagnostic survey and a staff engagement toolkit. Teams that have taken part in the programme have on average made a 7% improvement in their staff engagement scores, with some improving as much as 25%.

We have acted upon pulse survey data associated

with staff energy levels by taking a proactive approach to staff health and wellbeing, in order to create a positive and healthy working environment. We have continued to offer resilience training to staff, and for the first time we have trained our new Foundation doctors to support them with the challenges of their new role. We continue to take a proactive approach by focusing on prevention and the reduction of sickness absence. This has included onsite therapies and massage for staff during winter pressures and the recruitment of a Mindfulness Practitioner.

We will continue to build on our work by actively sustaining positive staff engagement, and importantly, focusing on staff health and wellbeing. We believe that continuing with this approach will be beneficial for our staff's future health, and that these measures will contribute to a reduction in sickness absence, reduced Agency costs, and improve the quality of care provided to our patients.

### **Focus on Recruitment**

We have continued to work hard this last year to sustain our nursing and medical staff workforce, particularly in relation to recruiting the increased staffing required as part of the new Trauma and Orthopaedic Centre which opened last winter at our Wrightington Hospital site.

We have had a successful year with improved retention across the Trust, which has been buoyed by our ongoing programme of international recruitment. A further increase in our European nursing cohort has assisted in maintaining safe staffing levels on wards. To ensure retention rates of these groups of staff we have given particular focus to positive settlement programmes so that the new employees are able to acclimatise quickly and settle into Wigan life. Further international recruitment programmes are planned as we proceed into 2016/17. We continue also to look into ways to 'grow our own' nurses and have commenced discussions with local colleges in relation to the creation of a pathway from non-qualified nurse training into qualified nursing for students who would like to progress within the nursing vocation.

Long term vacancies are still a challenge within some of our medical specialities and we continue to explore innovative ways to respond, such as increased recruitment via our MCh overseas programme, where overseas doctors work in the Trust for a fixed period to enhance their skills; and also skill mix initiatives, such as the new pilot Physician Associates programme, which the Trust is participating in from January 2016 and which will involve the Trust in hosting students on placements from June 2016.

The Trust is also working with the new Agency Cap rates where possible, with the hope that the national initiative will assist in reducing temporary staffing expenditure and encourage Agency workers to convert to substantive roles.

### **Focus on Widening Access to Employment and Development**

In January 2013, we signed up to the Apprenticeship Promise, and through this have agreed to actively promote opportunities for progression to staff in bands 1-4 who successfully complete apprenticeships, as well as offering staff without a level 2 qualification the opportunity to undertake an Apprenticeship. Since January 2010 the Trust has enrolled 330 apprentices from our existing workforce across all sites, including 43 internal apprentices and 4 external apprentices, enrolled between September and December 2015 due to complete in 2017. In addition, 13 staff commenced a GCSE qualification in Maths with a view to go on to nurse training; also 20 Domestic staff completed an NVQ qualification.

In Spring 2016, to promote Adult Learners' Week, we will be holding a celebration event to celebrate the success of up to 50 Apprentices due to complete by the end of March 2016; also, all other candidates who have achieved a nationally recognised qualification will be invited to attend.

Working in close partnership with Skills for Health, Job Centre Plus and Wigan and Leigh College and building on the resounding success of the 2013 and 2014 programmes, the Trust were proud to launch its third Pre-Employment Programme in November 2015. The programme is designed to get local people back into local jobs. Within the last financial year, 13 out of 14 candidates have moved back into work.

In addition to this we deliver a successful Cadet Programme in conjunction with the Skills for Health Academy, which provides a route into healthcare careers for young people aged 16 – 19. Participants are given the opportunity to gain valuable work experience and a nationally recognised Apprenticeship qualification in Business Administration whilst receiving an income. In 2015 we employed 4 cadets.

These programmes enable WWL, as one of the largest local employers, to develop our public health and corporate social responsibility agenda within the community.

### **Focus on Leadership Development**

Coaching and Leadership skills continue to be delivered across all staff levels and professions at WWL. As an accredited centre with the Chartered Management Institute (CMI) we are able to design and deliver our own in-house leadership programmes and qualifications from level 3 to level 7. We take a values-based approach to leadership development, ensuring that our senior, middle and first-line managers have the required knowledge and skills and can demonstrate the right behaviours, with quality and patient care at the centre of everything they do.

Internally and externally we have sign-posted over 200 staff to leadership programmes to improve their leadership style and behaviours.

We have developed the Leadership Values Questionnaire (LVQ) which ensures that all our senior staff have access to a 360 degree feedback appraisal, which enables them to reflect on how their staff, peers and managers see their leadership performance against the behaviours and values we expect at WWL. As an accredited CMI centre we are also able to provide in-house coaching and mentoring qualifications. Over 20 coaches have been trained internally to support staff in a variety of ways, including coaching support for new managers, programme participants and teams experiencing transformational change. In 2015-16 we are developing a further cohort of coaches to expand our coaching programme even further and continue to embed a coaching culture.

### **Board Composition**

The Trust Board has 7 Executive Directors and 8 Non-Executive Directors including the Chairman as at 31 Dec 15. Of the Executive Directors 3 are Female and 4 are Male. Of the Non-Executive Directors 2 are Female and 6 are Male. More information on the Board members can be found in the Directors' Report.

### **Positive about Disability**

As a certificated "Positive About Disability" employer of several years' standing, the Trust has continued use and review of Recruitment and Selection Policy in accordance with our Inclusion and Diversity agenda, as well as the recent implementation of online training to support Recruiting Managers. The Trust has continued to use and review of the Attendance Management Policy in accordance with our Inclusion and Diversity agenda together with specific guidelines and support materials developed for those managing staff living with a disability.

The Trust has reviewed the previous CPD policy to develop a revised Learning Policy with associate Equality Impact Assessment completed.

### **Keeping our Workforce Up to Date**

We continue to provide robust internal communication through Team Brief, News Brief, Team meetings, Focus Groups for those with protected characteristics, comms cells, PDRs, corporate communications, news boards. We have also consulted staff regarding the refreshed Inclusion and Diversity Strategy. The Health and Safety Team undertake a rolling programme of Health and Safety Support Visits which are designed to provide Managers with advice and guidance on compliance with health and safety matters, with the overall aim of maintaining staff health, safety and welfare whilst at work.

### **Consulting our Workforce and Encouraging Involvement**

The Trust has monthly policy development groups where policies and procedures are monitored and reviewed in partnership. Trust Partnership Council meets bi-monthly to approve policies and discuss key partnership and staffing issues. The Local Negotiating Council provides an opportunity for senior managers and medical staff representatives to meet to discuss and review issues related to medical staff and their terms and conditions. The Trust regularly consults with its employees on health and safety matters via the Occupational Safety and Health Committee and Divisional Health and Safety Groups. Team Brief informs staff of our performance and encourages their involvement, for example, staff were asked to participate in our '7 days no delays' initiative.

### **Health and Safety Performance and Occupational Health**

The Health and Safety Team produce a Trust-wide Health and Safety Performance Report on a quarterly basis, which, for Quarter 4 2015/16 was received by the Trust's Quality and Safety Committee. Similar reports are produced for Divisions to discuss at their Divisional Health and Safety Groups. These Performance Reports should be analysed and where necessary actions plans developed to improve performance against identified weakness. The Health and Safety Team also produces an Annual Report which is received by the Quality and Safety Committee. The Occupational Health service has continued to provide a full range of management and self-referral services supporting staff vaccination programmes, well-being

initiatives and to assist Managers in effectively managing sickness absence.

### **Countering Fraud and Corruption**

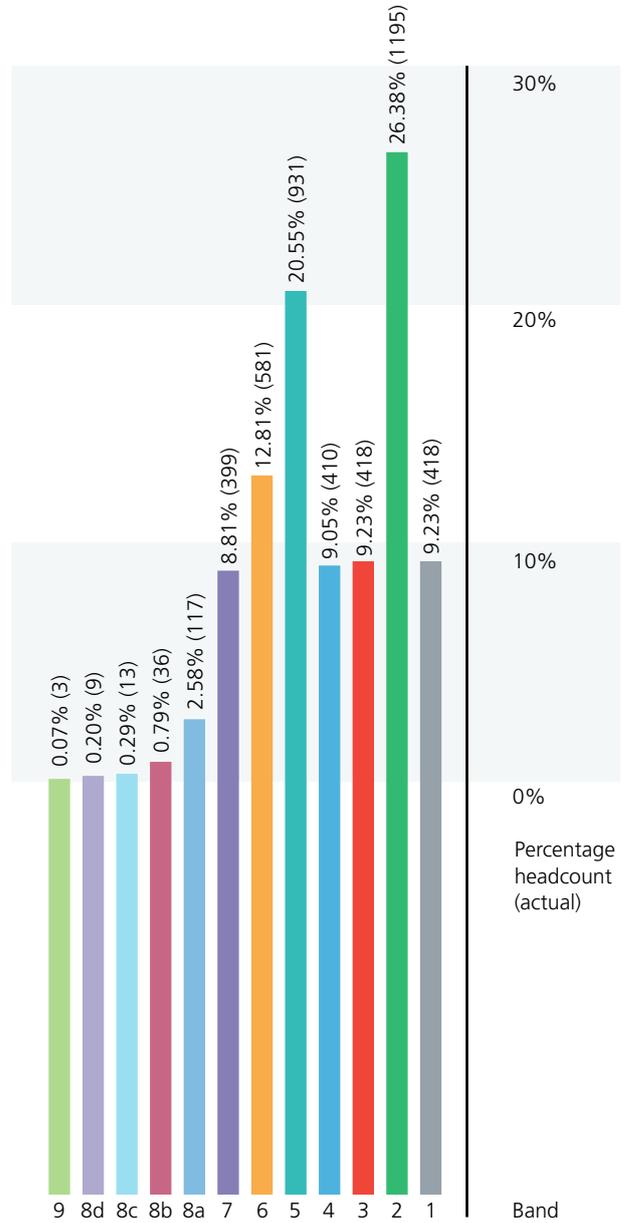
The Trust has a Fraud, Corruption and Bribery Policy and Response plan as per NHS Protects template (June 2015). This policy is cross referenced with other key Trust documents, such as the Code of Conduct, Standing Financial Instructions, Disciplinary Police and Gifts and Hospitality Policy, which means staff are aware of the Trust's full policy arrangements for anti-fraud work. The Fraud, Corruption and Bribery Policy and Response plan's effectiveness is regularly tested and evaluated by the Trust's Local Anti-Fraud Specialist to ensure the outputs are effective in measuring levels of staff awareness, which has led to improvements being made.

### Our Workforce Profile

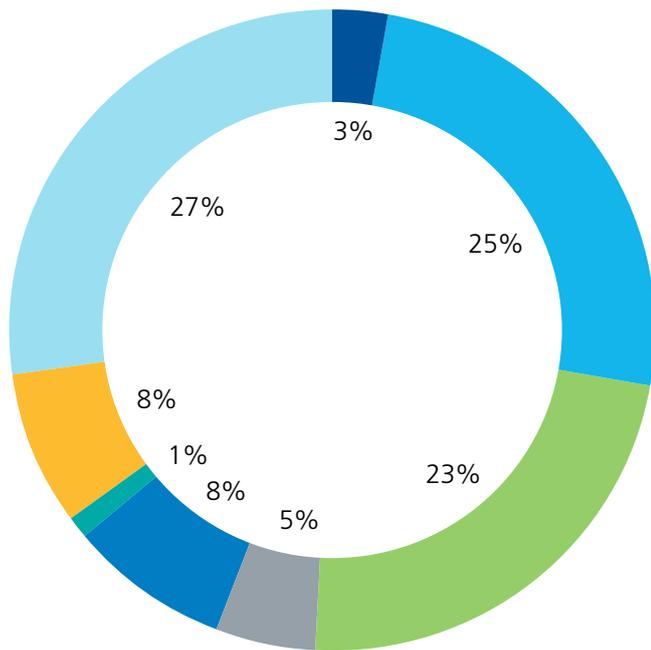
Breakdown of workforce by gender as at 31st Dec 15 (Headcount)

| Classification                            | Female      | Male       | Total       |
|---|-------------|------------|-------------|
| Directors                                 | 3           | 4          | 7           |
| Other Senior Managers (Band 8a and above) | 115         | 63         | 178         |
| Employees                                 | 3850        | 912        | 4762        |
| <b>Total</b>                              | <b>3968</b> | <b>979</b> | <b>4947</b> |

### NHS Agenda for Change Banding Pay Scale



### Our Workforce



- Scientific, Technical and Professional
- Additional Clinical Services
- Administrative and Clerical
- Allied Health Professionals
- Estates and Ancillary
- Healthcare Scientists
- Medical and Dental
- Nursing and Midwifery Registered

## Staff survey report 2015

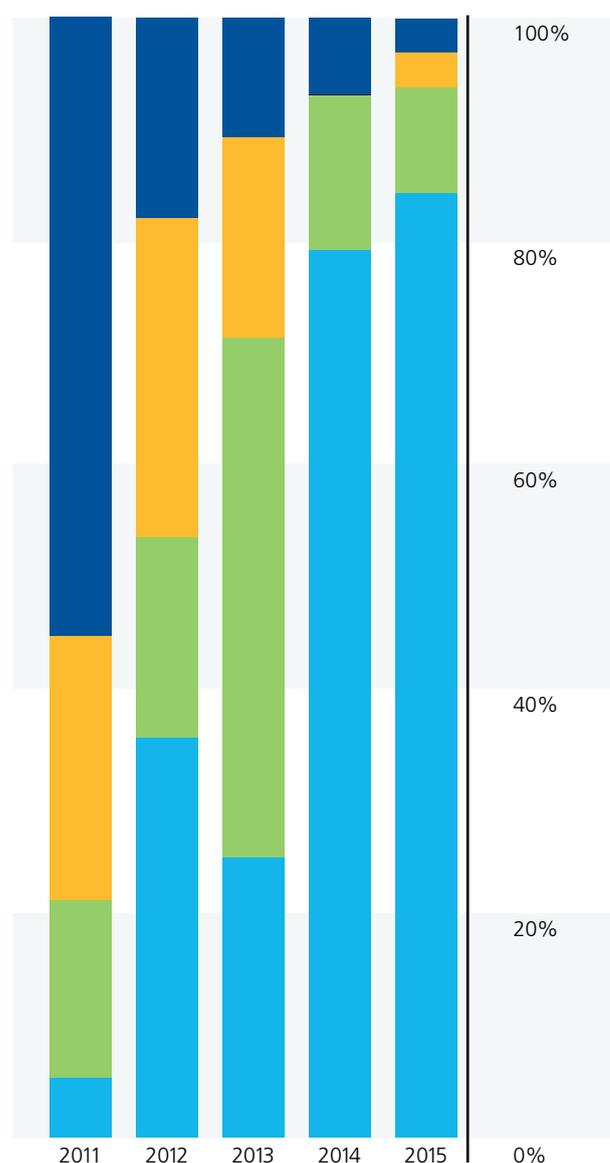
Overall the 2015 Staff Survey results paint a very positive picture. 94% of our survey results were above average and 84% were in the top 20% for Acute Trusts. We came 3rd nationally in the Acute sector for overall levels of staff engagement, which reflects the significant work on staff engagement that has continued over the last 12 months. We are proud that for the fifth consecutive year WWL has significantly improved its performance in the national staff survey (as evidenced in the graph opposite).

36% of staff responded to this year's survey. This response rate is consistent with our 2014 response rate (36%) however the response rate is below average compared with other Acute Trusts in England. This is likely due to the distribution of WWL's own staff engagement pulse survey which is issued to a quarter of staff every quarter of the year. The introduction of this survey may have impacted on response rates, with staff being asked to complete the quarterly engagement survey in addition to the National Staff Survey. However the quarterly pulse survey has been of significant value to WWL over the last two years. It has enabled us to act quickly on the issues identified, ensuring that we are always aware of trends and new issues. Many Trusts do not have access to this type of staff feedback and rely solely on the National staff survey. The quarterly pulse surveys and associated actions have been integral to shaping our organisational culture, helping us become one of the best NHS Trusts to work for in the country.

Our five highest scoring staff survey items relative to other acute trusts in England include:

|  |  |
|--|--|
| <b>Good communication between senior management and staff</b>  | Trust score 51%<br>Acute average 32%   |
| <b>Satisfaction with resourcing and support</b>  | Trust score 3.66<br>Acute average 3.30 |
| <b>Satisfaction with the quality of work and patient care staff feel they are able to deliver</b>            | Trust score 4.29<br>Acute average 3.93 |
| <b>Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month</b> | Trust score 21%<br>Acute average 31%   |
| <b>Staff motivation at works</b>   | Trust score 4.14<br>Acute average 3.94 |

## Wrightington, Wiagn and Leigh NHS Foundations Trust's Yearly Scores on the NHS National Staff Survey



- Percentage below average
- Percentage average
- Percentage above average
- Best 20%

There is only one key finding for which Wrightington, Wigan and Leigh NHS Foundation Trust compares least favourably with other acute trusts in England:

|   |                                      |
|---|--------------------------------------|
| <b>Percentage of staff reporting errors, near misses or incidents witnessed in the last month</b> | Trust score 82%<br>Acute average 90% |
|---|--------------------------------------|

This area of concern from the 2015 results, relating to staff reporting errors, near misses or incidents witnessed will now be taken forward. Whilst we are one of the best Trusts for the number of incidents, errors and near misses staff witnessed, those few who are witnessing them are not reporting them as much as we would like. Due to receiving regular staff feedback throughout the year, we have already taken proactive steps ahead of hearing these results. In December last year we revised the Raising Concerns Policy, learning from the past experiences of our own staff, to develop a more supportive process for staff who raise concerns. Part of this has included a Freedom to Speak Up Guardian, and more safety and assurance for staff who wish to raise concerns.

Our third and fourth lowest items whilst scoring above the national average, will also act as areas for targeted improvement in the year ahead:

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#### **Percentage reporting most recent experience of violence**

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#### **Percentage reporting most recent experience of harassment, bullying or abuse**

There is one key finding where staff experience has improved since the 2014 survey:

---

#### **Percentage of staff experiencing physical violence from staff in the last 12 months (WWL 2015 score 1% compared with 4% in 2014)**

It is highlighted that there were no areas where staff experience had deteriorated since the 2014 survey which is extremely positive feedback.

### **Future priorities and targets**

It is highlighted that there is much to celebrate in the 2015 survey results and we have commenced communication of these results to our staff.

The HR Directorate has prepared and circulated Divisional reports for discussion within Divisional Management Teams. This information will be used in conjunction with the Pulse Check Feedback to support the local staff engagement actions plans.

An analysis of the staff survey results by equality group will also be undertaken to identify any specific themes and 'hotspots'. This analysis is valuable and has informed previous actions such as holding Focus Group sessions with Black & Minority Ethnic and staff living with a Disability. Equality related actions from the 2015 staff survey results will be incorporated into the Equality Delivery System Action plan.

The introduction of WWL's own staff engagement pulse survey has enabled the Trust to analyse engagement trends across the year of 2015, and identify what has enabled staff engagement. The results indicate that the improvements in staff engagement seen in 2015 can be linked in particular to staff feeling trusted and empowered in their workplace, supportive working relationships with managers and colleagues, clear, open and honest communications and an increase in staff feeling valued / recognised.

The pulse survey identifies that engagement has continued to improve throughout the year, whilst energy levels amongst staff have only fractionally improved. There has been some investment in health and well-being initiatives with the aim of improving energy levels (resilience training, mindfulness, on site therapies). But to ensure that the Trust is able to sustain high levels of engagement into 2016, further analysis of the risk of staff burnout and investment in health and well-being interventions are also required.

## Sickness and absence data

| Staff sickness absence                 | 2015/16<br>Number | 2014/15<br>Number |
|--|-------------------|-------------------|
| Total days lost                        | 38,363            | 43,755            |
| Total staff years                      | 4,200             | 4,155             |
| Average working days lost<br>(per WTE) | 9                 | 11                |

## Average number of employees (WTE basis)

|   | Permanent<br>Number | Other<br>Number | 2015/16<br>Total<br>Number | 2014/15<br>Total<br>Number |
|---|---------------------|-----------------|----------------------------|----------------------------|
| Medical and dental                                    | 437                 | 10              | 447                        | 437                        |
| Administration and estates                            | 1,003               | 0               | 1,003                      | 856                        |
| Healthcare assistants and other support staff         | 546                 | 0               | 546                        | 525                        |
| Nursing, midwifery and health visiting staff          | 1,735               | 0               | 1,735                      | 1,705                      |
| Scientific, therapeutic and technical staff           | 564                 | 0               | 564                        | 550                        |
| Agency and contract staff                             | 0                   | 89              | 89                         | 129                        |
| Bank staff  | 0                   | 79              | 79                         | 81                         |
| Other   | 15                  | 0               | 15                         | 139                        |
| <b>Total average numbers</b>                          | <b>4,300</b>        | <b>178</b>      | <b>4,478</b>               | <b>4,422</b>               |
| Number of employees (WTE) engaged on capital projects | 34                  | 6               | 40                         | 39                         |

## Reporting of compensation schemes - exit packages 2015/16

|   | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages |
|---|-----------------------------------|-----------------------------------|-------------------------------|
| <b>Exit package cost band (including any special payment element)</b> |                                   |                                   |                               |
| <£10,000  | 0                                 | 3                                 | 3                             |
| £10,001 - £25,000   | 0                                 | 3                                 | 3                             |
| £25,001 - £50,000   | 0                                 | 2                                 | 2                             |
| £50,001 - £100,000  | 1                                 | 0                                 | 1                             |
| <b>Total number of exit packages by type</b>                          | <b>1</b>                          | <b>8</b>                          | <b>9</b>                      |
| <b>Total resource cost (£)</b>  | <b>£56,000</b>                    | <b>£130,000</b>                   | <b>£186,000</b>               |

During 2015/16 the Trust's exit packages were in line with Agenda for Change contractual terms and conditions or a Treasury approved Mutually Agreed Severance Scheme.

## Reporting of compensation schemes - exit packages 2014/15

|   | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages |
|---|-----------------------------------|-----------------------------------|-------------------------------|
| <b>Exit package cost band (including any special payment element)</b> |                                   |                                   |                               |
| <£10,000  | 0                                 | 1                                 | 1                             |
| £10,001 - £25,000   | 0                                 | 3                                 | 3                             |
| £25,001 - £50,000   | 1                                 | 1                                 | 2                             |
| £100,001 - £150,000   | 0                                 | 0                                 | 0                             |
| <b>Total number of exit packages by type</b>                          | <b>1</b>                          | <b>5</b>                          | <b>6</b>                      |
| <b>Total resource cost (£)</b>  | <b>£50,000</b>                    | <b>£84,000</b>                    | <b>£134,000</b>               |

During 2014/15 the Trust's exit packages were in line with Agenda for Change contractual terms and conditions or a Treasury approved Mutually Agreed Severance Scheme. Redundancy costs were primarily as a consequence of sharing the termination cost of joint posts with Salford Royal NHS Foundation Trust.

## Exit packages: other (non-compulsory) departure payments

|   | 2015/16                      |   | 2014/15                      |   |
|---|------------------------------|---|------------------------------|---|
|   | Payments<br>agreed<br>Number | Total<br>value of<br>agreements<br>£000 | Payments<br>agreed<br>Number | Total<br>value of<br>agreements<br>£000 |
| Voluntary redundancies including early retirement contractual costs | 0                            | 0                                       | 1                            | 18                                      |
| Mutually agreed severance scheme (MAS) contractual costs            | 8                            | 130                                     | 4                            | 66                                      |
| <b>Total</b>  | <b>8</b>                     | <b>130</b>                              | <b>5</b>                     | <b>84</b>                               |

### Reporting of high paid off-payroll arrangements earning more than £220 per day

Off payroll engagements as at 31st March 2016 lasting longer than six months

|  |    |
|--|----|
| No. that have existed for less than one year at the time of reporting          | 12 |
| No. that have existed for between one and two years at the time of reporting   | 7  |
| No. that have existed for between two and three years at the time of reporting | 4  |
| No. that have existed for four or more years at the time of reporting          | 1  |

During the year 2 senior managers were paid more than £142,500. In both cases, benchmark salary information for comparative jobs within the NHS was considered at the time of appointment and it was concluded that the remuneration agreed was appropriate and reasonable for the current post holders.

Off-payroll engagements reaching six months in duration between 1 April 2015 and 31 March 2016

|   |    |
|---|----|
| No. of new engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016  | 12 |
| No. of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National insurance obligations | 12 |
| No. for whom assurance has been received  | 9  |
| No. for whom assurance has not been received  | 3  |

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

Engagements are terminated where assurance is not provided within a reasonable timeframe.

Off-payroll engagements of board members, and/or senior officials with significant financial responsibility between 1 April 2015 and 31 March 2016

|   |    |
|---|----|
| No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year                                    | 0  |
| No. of individuals deemed board members and/or senior officials with significant financial responsibility during the financial year, both off payroll and on payroll engagements. | 20 |



## **Compliance with the Code of Governance provisions**

Wrightington, Wigan and Leigh NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The Board of Directors and Council of Governors of the Trust are committed to the principles of good corporate governance. The Audit Committee has reviewed the Trust's performance against this Code and can confirm that the Trust has complied with the revised Monitor Code of Governance 2014.

# Regulatory Ratings Report

The tables below show the Trust's ratings over the last two financial years:

| 2014/15                                    | Annual Plan | Q1 | Q2 | Q3 | Q4 |
|--|-------------|----|----|----|----|
| Financial Sustainability Risk Rating (FSR) | 4           | 3  | 4  | 4  | 3  |
| Governance Risk Rating                     | ●           | ●  | ●  | ●  | ●  |

| 2015/16                                    | Annual Plan | Q1 | Q2 | Q3 | Q4 |
|--|-------------|----|----|----|----|
| Financial Sustainability Risk Rating (FSR) | 3           | 2  | 2  | 1  | 1  |
| Governance Risk Rating                     | ●           | ○  | ○  | ○  | ○  |

During 2015/16 the Trust reported an unplanned continuity of service risk rating of 2 in quarters 1 and 2, leading to a governance risk rating of under review being notified by Monitor as a result of the deteriorating financial position. A financial recovery plan was developed and submitted to Monitor. Monitor decided not to open an investigation to assess whether the Trust could be in breach of its licence, however had not gained sufficient assurance to be able to return the Trust's governance rating to green. Unconditional registration with the CQC was maintained throughout the year.



**Andrew Foster**  
Chief Executive

- Green rating for risk
- Under Review

## **Statement of Accounting Officers' Responsibilities**

Statement of the chief executive's responsibilities as the accounting officer of Wrightington, Wigan and Leigh NHS Foundation Trust.

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

Under the NHS Act 2006, Monitor has directed Wrightington, Wigan and Leigh NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Wrightington, Wigan and Leigh NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and prepare the financial statements on a going concern basis.

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

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



**Andrew Foster**  
Chief Executive

25 May 2016

# **Annual Governance Statement 01.04.2015 – 31.03.2016**

## 1. Scope of Responsibility

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

## 2. The Purpose Of The System Of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Wrightington, Wigan and Leigh NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wrightington, Wigan and Leigh NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

## 3. Capacity To Handle Risk

### 3.1 Leadership

As Accounting Officer, I have overall accountability and responsibility for leading risk management arrangements on behalf of the Board.

The Director of Nursing provides leadership at Board level for the implementation of integrated governance and risk management. The Director of Finance is designated as the accountable and responsible officer for managing financial risk in the Trust. The Medical Director provides professional medical leadership for governance and patient safety within the Trust. The Trust's Risk Management Strategy clearly defines the responsibilities of individual Executive Directors and the

Risk Management Strategy applies to all employees. It requires an active lead from managers at all levels to ensure risk management is a fundamental part of the total approach to quality, corporate and clinical governance, performance management and assurance.

Employees, contractors and agency staff are required to report all adverse incidents and concerns. The Trust supports a learning culture, ensuring that an objective investigation or review is carried out to learn from things when they go wrong, only assigning blame to individuals', where it is clear that Trust policies and procedures have deliberately or negligently not been appropriately followed.

The Quality and Safety (Q&S) Committee, chaired by a Non-Executive Director acts as a scrutiny and strategy committee. The Q&S Committee provides assurance to the Trust Board that adequate and appropriate governance structures, processes and controls are in place throughout the organisation. The Quality and Safety Committee receives minutes of the Divisional Quality Executive Committees (DQEC) whose role is to oversee all elements of risk and governance within Divisions. The Q&S Committee has a rolling programme within its work plan to undertake deep dive investigation into the minutes of the Divisional DQECs to provide the committee with significant assurance on the effectiveness of the Divisional committees. There is a Risk and Environmental Management Committee (REMC) chaired by the Director for Strategy and Planning, which receives and discusses all key Divisional and Corporate risks and where appropriate escalates issues to the relevant Board Sub Committee. The Trust had processes in place to assess itself against the CQC essential care standards and intelligent monitoring reports.

### 3.2 Staff Training

In 2015-16 WWL have invested significantly in education and personal development with some positive outcomes for both the learners and the organisation.

The Education Governance Committee has a focus on providing assurance that our investment in staff training and development is appropriate, delivers the right knowledge and skills and produces a positive impact on organisational performance and patient care.

A key element of the committee is to conduct a Strategic Learning Needs Analysis enabling us to align our learning needs with organisational priorities and ensure that development is put in place to support these needs in the right way.

The organisation invested their full allocation of CPD funding in 2015-16 on a range of modules for registered

health care professional and bespoke programmes of study for staff in a number of priority areas such as enhanced communication skills, advanced dementia training, clinical leadership development and non-medical prescribing.

The Trust reached its target of 95% compliance with mandatory training and developed some new programmes including Mental Capacity Act and Post-operative Delirium awareness which has significantly raised levels of understanding and education in these areas.

In terms of Leadership the Trust has invested significantly in development programmes.

Coaching and Leadership skills continue to be delivered across all staff levels and professions at WWL. As an accredited centre with the Chartered Management Institute we are able to design and deliver our own in-house leadership programmes and qualifications from level 3 to level 7. We take a values-based approach to leadership development ensuring that our senior, middle and first-line managers they have the required knowledge and skills and can demonstrate the right behaviours, with quality and patient care at the centre of everything they do.

We have developed the Leadership Values Questionnaire (LVQ) which ensures that all our senior staff have access to a 360 degree feedback appraisal, which enables them to reflect on how their staff, peers and managers see their leadership performance against the behaviours and values we expect at WWL.

As an accredited Chartered Management Institute centre we are also able to provide in-house coaching and mentoring qualifications. Over 20 coaches have been trained to level 7 or 5 certificate accreditation to support staff in a variety of ways including coaching support for new managers, leadership and engagement programme participants and teams experiencing transformational change. We are currently developing a further cohort of coaches to expand our coaching programme even further and continue to embed a coaching culture. We are also collaborating with the Council and CCG in order to take a borough wide approach to coaching.

178 managers which included 163 ward leaders and senior nurses completed a level 5 award in Leadership in Practice and 44 staff members completed a level 3 award in leadership and management.

In addition 74 managers have now completed a Level 7 accredited Strategic Leadership Programme with some real service improvements made as a result of completing an assessed project.

The OD Team hosted a Leadership Celebration Event in Summer 2016 to celebrate the success of our leaders and aspiring leaders who have completed leadership programmes both externally and internally within WWL.

97 members of staff attended the event.

A further success for 2015-16 was our increased uptake on staff appraisals highlighted in the NHS staff survey results.

The Trust has also further increased the range of learning opportunities for staff including:

- 19 people completing an NVQ in cleaning for domestic staff
- Delivery of a range of apprenticeships with 45 people completing either administration and health related areas
- 13 members of staff have completed a GCSE in maths
- 156 members of staff undertaking a Level 2 Distance Learning certificate in a range of topics including dementia, mental health awareness and diabetes

As part of our commitment to widening participation, we successfully ran our third pre-employment programme leading to the majority of the group gaining employment as a result of this programme, many within WWL

## 4. The Risk and Control Framework

### 4.1 Key Elements of the Risk Management Strategy – Effectiveness of governance structures

The Trust has an effective governance structure described within its Risk Management Strategy which is endorsed by the Trust Board. The Board has 5 reporting sub committees, of Audit, Finance and Investment, Quality and Safety, information Management and Technology and Human Resources and Organisational Development, each chaired by a Non-Executive Director. The Risk Management Strategy covers the principles of risk management and is subject to review every year to ensure it remains appropriate and current. Staff accountable and responsible for risk management, are clearly identified, as well as the system for identifying, managing, evaluating and controlling individual risk. Risks are identified from risk assessments and analysis of data from other intelligence sources, including concerns, near misses, incidents, serious untoward incidents, never events, formal and informal complaints and litigation cases.

The Corporate Objectives agreed by the Board for 2015/16 were:

- Performance: To achieve at least a 5% improvement on all Safe, Effective and Caring metrics, where possible, compared to 2014/15 performance.
- Innovation: For 2015/16 ensure all staff are fully engaged with the HIS implementation programme and

that all service lines have the opportunity to provide innovation ideas at least twice a year.

- Leadership: To have 100% Band 7+ staff completing the Leadership Values Questionnaire prior to the 2015/16 PDR cascade.
- Information: To reduce the overall number of Information Commissioner Office complaints by 5% and to have a live Borough wide dashboard in place by Q3.
- Staff Engagement: To score an average of at least 75% positive in the pulse check scores.
- Investment: To agree a financially balanced capital investment plan for 2015/16 and spend within 15% of plan. To complete Wrightington Phase 1 by February 2016.
- Partnership; To have developed a viable North West Sector single service implementation plan by Q3, including balanced activity assumptions and to agree Wigan-wide integrated care assumptions by Q2.

Looking forward, risks relating to performance and quality have been identified to be placed on the 16/17 BAF including:

- Achieve Zero points on the Monitor (NHS Improvement) Compliance Framework
- Achieve a full year FSRR of 3 and in line with plan; achieve a surplus of £3.7m; maximise access to NHSE funds; return to underlying financial balance by Q4
- Achieve HSMR of no more than 87 and SHMI of no more than 100

The Risk Management Strategy is cross referenced to a series of related risk management documents i.e. Divisional Risk Management Strategies, Risk Assessment Policy, Risk Assessment Standard Operating Procedure, the Incident Reporting and Investigation Policy and the Serious Untoward Incident and Never Event Policy. All risk related policies and Standard Operating Procedures (SOPs) are available to all staff via the document library on the Trust's intranet.

Risk management is embedded in the activity of the organisation through induction training, regular risk management training and ad hoc training when a need is identified. A risk reporting system, (Datix web), is in operation across the organisation on which concerns, near misses, complaints, claims and incidents are reported by staff and stored on a database for analysis. Root cause analysis is undertaken and identified changes in practice are implemented as a result. The Quality and Safety committee receive a quarterly Safe, Effective and Caring Report providing information on risk management issues, assurance and lessons learned.

The Board receive detailed reports on the Trust's

operational and financial performance which are subject to detailed scrutiny at each Board meeting. The Trust Board receives and approves the quarterly governance assurance report for submission to Monitor detailing all exception reports in compliance with the Monitor Risk Assessment Framework and compliance with the Trust's Licence. These reports provide evidence to support the corporate governance statement required under NHSFT condition 4. The Trust has declared compliance with the UK corporate governance code and has met the requirements of its Provider Licence issued by Monitor and CQC registration during the reporting period. The outcome of the CQC inspection during 2016 has not been issued for public release at the time of reporting.

## 4.2 Elements of the Assurance Framework

The Board Assurance Framework (BAF) has been in place during 2015/16. The Assurance Framework:

- Identifies the corporate objectives that the Trust is striving to achieve
- Provides a mechanism to inform the Board of activity related to risk assessment of the key corporate objectives

The key organisational risks for the year were identified from the Corporate Strategic Objectives for 2015/16 and formed part of the Board Assurance Framework, these were:

- Failure to meet all of our performance and financial targets in full every month, leading to potential Monitor intervention
- Failure to negotiate a successful service model with neighbouring Trusts that would meet the requirements of the Healthier Together programme, resulting in loss of significant surgical services
- Failure to achieve the cost improvement target, resulting in a reduction in the capital investment plans going forward

The Risk and Environmental Management Committee considers the corporate risk register high/significant risks and where appropriate, escalate these to the relevant sub-committee of the Board for possible inclusion on the Board Assurance Framework. Risks are escalated to sub-committees for either escalation to the Trust Board or action resulting in de-escalation. Sub-committees of the Trust Board can escalate key risks to the Trust Board, for example the Finance & Investment committee escalated risk of continued provision of neuro-rehabilitation services to Trust Board.

Risk prioritisation and action planning is informed by the corporate risk register which have been derived from internal and external sources of risk identified from national requirements and guidance, complaints, claims, incident reports and audit findings. This also includes any other sources of risk derived from ward, departmental and divisional risk assessments, which feed up to Divisional and Corporate level management.

Action plans are developed for unresolved risks and the rating of risks is established using a 5x5 matrix which was derived from the ISO 3100 Risk Management standard.

Lead Executive Directors and Lead Managers have responsibility for developing action plans to deal with the gaps in control and assurance. The Board Assurance Framework serves to assure the Board of Directors and Council of Governors that the organisation is effectively managing its risks. The Trust Board has previously considered its appetite for risk using the Good Governance Institute's risk appetite matrix. The Quality & Safety (Q&S) committee and audit committee scrutinise the corporate risk register on a rotational basis within their work plans, thus providing the Trust Board with a quarterly review.

As previously described, the Executive Communications Cell reviews the risks on the BAF including the key controls, assurance of controls, any potential gaps in control or assurance and any action plans to mitigate the risks. The Board Assurance Framework is monitored and reviewed on a monthly basis by the Trust Board. This provides evidence to support the Annual Governance Statement.

The Audit Committee is a sub-committee of the Board of Directors and provides independent assurance on aspects of governance, risk management and internal control. The Audit Committee has an annual work plan that ensures effective monitoring of risk management takes place including review of Divisional quality account dashboards, receipt of internal audit reports and annual review of effectiveness reports from each Board Sub-committee.

Internal Audit reviewed the Trust's Assurance Framework for 2015/16 and concluded that it meets the requirements of the Annual Governance Statement and provides reasonable assurance that there is an effective system of internal control to manage the Trust's risks.

### 4.3 Quality Governance Arrangements

For the last seven years the Trust has committed to ensuring that quality is viewed equally alongside finance and performance, with safety as the highest priority.

The Trust developed a revised Quality Strategy for 2014/17 which was approved in April 2014. This strategy identifies a number of quality goals under the Trust's overarching strategy to be safe, effective and caring. These goals were agreed in consultation with internal and external stakeholders. Annual priorities relevant to the three year quality goals are agreed and published in the Trust's Quality Account.

The key Trust quality governance committee is the Quality and Safety Committee, a sub-committee of the Trust Board chaired by a Non-Executive Director. This scrutiny committee requests assurance that high standards of care are provided by the Trust and ensures that there are adequate and appropriate governance structures, processes and controls in place across the organisation. Reporting sub-groups include Safeguarding, Medicines Management, Infection Control and Health and Safety. The Quality and Safety Committee also reviews the minutes of divisional Quality Executive Committees as part of a rolling programme of 'deep dives'.

The Trust's Risk Management Strategy is reviewed and approved by the Trust Board annually. The Trust identifies key organisational risks for the year against the Corporate Strategic Objectives. This forms the Board Assurance Framework. Each of the key risks has a lead director and a monitoring committee. The risk scores are discussed monthly by monitoring committees, the Executive Communications Cell (a weekly meeting of the Executive Directors) and reported monthly to the Board. The risks on the Trust's Corporate Risk Register are reviewed monthly at the Risk and Environmental Management Committee (REMC).

An important element of achieving high quality care is to ensure that the workforce within the organisation has the capacity and capability to deliver improvement. The establishment of a Quality Faculty within the Trust commenced at the beginning of 2012 and to date 322 staff from all parts of the organisation have voluntarily signed up to be quality champions. Staff have attended the Trust's in-house Quality Improvement Methods training programme or training provided by partner organisations such as AQuA and NHS QUEST. The overarching aim of the Quality Faculty is to involve and encourage staff to participate in improving services for patients. Staff are recognised for the improvements achieved by awarding of bronze, silver and gold badges. There are a number of projects underway by Quality Champions who provide the driving force and resource to energise the Trust's quality plans and ensure the principles are embedded at ward and team level.

The Quality Champions Committee chaired by the

Chief Executive and attended by the Executive Directors monitors the progress of the Quality Champions projects to achieve improvements and most importantly sustainability.

Quality of performance information is assessed at Divisional and Corporate levels through the Quality Executive Committee structures. Information data quality is reviewed by the Data Quality Committee.

The Trust has 'Signed Up to Safety', a national campaign to deliver harm free care for every patient, every time, everywhere. The Trust has submitted an improvement plan that has been developed in conjunction with the Trusts Quality Strategy. The improvement plan outlines a number of initiatives that the Trust is participating in.

The Trust has participated in a patient safety programme 'Talksafe'. 'Talksafe' trains staff to have structured conversations engaging staff to reflect on what can go wrong, what they can do to mitigate the risks and gain commitment to pursue a safe course of behaviour in future. Two wards have participated in a pilot which will be evaluated to consider the possibility of rolling the programme out further to other areas of the Trust.

The Trust Board and Wigan Borough Clinical Commissioning Group also participated in a 'Making Safety Visible' initiative led by Haelo, an innovation and improvement centre which hosts improvement experts, clinicians, improvement fellows and researchers. Making Safety Visible supports Trust's to undertake a self-assessment against the 'Measuring and Monitoring of Safety Framework' by Professor Charles Vincent, Emeritus Professor of Clinical Safety Research.

All papers submitted to the Trust Board are required to declare how they relate to CQC, NHSLA and the Board Assurance Framework (BAF). Maintaining CQC registration without conditions has been a recurrent corporate objective since 2011/12. This is monitored on a monthly basis via the BAF.

#### **4.4 How Equality Impact Assessments are embedded in the activity of the Trust**

Control measures are in place to ensure compliance with the Trust's obligations under equality, diversity and human rights legislation.

The Trust continues to demonstrate compliance with the General and Specific Duties of the Public Sector Equality Duty (PSED) on an annual basis through publishing relevant equality information as part of its Annual Inclusion & Diversity Monitoring Report. The Trust also undertakes an assessment of current performance against the criteria stated in the National Equality

Delivery System (EDS2) on an annual basis. The Trust has continued to review and assess performance in collaboration with staff and local stakeholders, using this framework as well as identifying priorities going forward. The EDS 2016/17 Action Plan will be updated to reflect the actions outstanding from 2015/16 and to incorporate any new actions that have arisen from the recent 2016 EDS assessment.

Progress against the Trust's EDS Action Plan and Equality Objectives is monitored by the Inclusion and Diversity Steering Group on a quarterly basis and is overseen by the Trust's HR Committee. An Inclusion & Diversity Operational Group meet on a bi-monthly basis and take a lead role in supporting the delivery of the Equality Delivery System action plan.

From 1 April 2015 all NHS organisations are required to demonstrate through the nine point Workforce Race Equality Standard (WRES) metric how they are addressing race equality issues in a range of staffing areas. This standard has been fully embedded within current practice.

During 2015/16, the Trust continued to undertake equality analysis (equality impact assessments) on all policies and practices (to ensure that any new or existing policies and practices do not disadvantage any group or individual).

#### **4.5 How Public Stakeholders are involved in Managing Risks**

Key stakeholders, including patients, the Trust's public and staff membership, Wigan Borough Clinical Commissioning Group, Wigan Council Health and Wellbeing Board, Wigan Council Positive People Scrutiny Committee, Wigan Local Safeguarding Children & Adults Board and Healthwatch Wigan are engaged on service developments and changes. The Trust is also working across the local health economy including engagement with Wigan Borough CCG's Locality Plan on the delivery of integrated care pathways. Other key projects include joint working with Salford Royal NHSFT on a vanguard project that sits alongside the key objectives of Healthier Together and Devo Manc that aim to drive up quality and efficiency through improved clinical pathways. There is lay representation on a wide range of key committees in the Trust, including representation from the Foundation Trust Council of Governor members on the Quality Champions and Q&S Committees, Engagement Committee, Clinical Audit Committee, Health and Safety Committee, Human Resources Committee, Service and Site Investment Committee and PLACE assessment visits. PLACE is the system for

assessing the quality of the patient environment. The assessments involve local people going into hospitals as part of teams to assess how the environment supports patient's privacy and dignity, food, cleanliness and general building maintenance. The Trust recognises that risk management is a two way process between healthcare providers across the health economy. Issues raised through the Trust's risk management processes that impact on partner organisations e.g. Wigan Borough CCG would be discussed in the appropriate forum, so that action can be agreed. Governors have established a Community Engagement Committee which is focusing on building relationships with Patient Participation Groups in GP Practices to support its wider engagement with the public.

An established communications framework is in place in the form of a Major Incident plan and cross community emergency planning and business continuity arrangements are in place.

#### 4.6 Managing Risk to Data Security

The Information Governance work programme and performance against the national Information Governance Toolkit is closely monitored by the Caldicott Committee, chaired by the Medical Director, who is the Caldicott Guardian. In terms of information risk, the Director of Finance is the nominated Board lead for information risk and the Senior Information Risk Owner (SIRO) for the Trust who attends the Caldicott Committee. During 2015/16 The Information Governance Department has recorded 143 Information Governance incidents between 1 April 2015 and 31 March 2016. 1 of these incidents has been identified as a Serious Incident Requiring Investigation and has been reported to the Information Commissioner's Office and the Health and Social Care Information Centre.

The Trust achieved a satisfactory score in Version 13 of the Information Governance Toolkit with a score of 81%.

#### 4.7 CQC Compliance

The Foundation Trust is registered with the Care Quality Commission (CQC) to provide care, treatment and support, without compliance conditions. The Trust had a CQC inspection in 2015/16 and the final report on the outcome is awaited.

The Trust reviews the CQC Intelligent Monitoring Reports to ensure that actions are taken to address the risks identified by the CQC. This is monitored by the Quality and Safety Committee. The last version of the IMR was produced by the CQC in May 2015 and they

are no longer producing these reports.

The Trust has maintained regular contact with its CQC Compliance Inspectors and holds quarterly engagement meetings with the CQC.

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

#### 4.8 Corporate Governance Statement

As stated above it is essential that the Trust has the correct combination of structures and processes in place at and below Board level which enables the Trust Board to assure the quality of care it provides. The Trust is committed to the continuous improvement of these structures and processes. In 2015/16 the Trust commissioned a review by external consultants, Deloitte on Board Effectiveness. Extremely positive feedback from the review confirmed the following:

- The Board has a strong focus on staff engagement and values
- There was high level of confidence in the Trust Chair
- NEDs bring a diverse range of skills and styles
- Strong talent management processes

In addition the following improvement actions were accepted by the Trust and actions implemented. These include:

- The introduction of Board seminars on alternate months
- Continuation of the Executive Safety Walkabout Programme
- Significant risk monitoring on Board Reports front cover sheets
- The format of the BAF has been revised to take account of best practice advised by Deloitte from April 2016 and will be used to set the Board agenda in terms of monitoring key strategic risks

Further information has been provided within this statement that demonstrates the Trust's ability to assure itself on the validity of its Corporate Governance Statement required under the NHS Foundation Trust Condition 4(8)(b) due to be submitted by 30 June 2016.

#### 4.9 Other Matters

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with.

This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that membership Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

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

The Foundation Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

## 5. Review of Economy, Efficiency and Effectiveness of the Use of Resources

The Trust has robust arrangements in place for setting financial objectives and targets. These arrangements include ensuring the financial plan is achievable; ensuring the delivery of efficiency requirements; compliance with its terms of authorisation; and the co-ordination of financial objectives with corporate objectives as approved by the Board of Directors.

Objectives are approved and monitored through a number of channels:

- Approval of annual budgets by the Board of Directors;
- Official acceptance of annual budgets by delegated budget holders;
- Monthly reporting to the Board, via its sub-committees, on key performance indicators, covering quality and safety, finance, and human resources targets;
- Scrutiny of Divisional performance against objectives at sub-Board Committees;
- Regular Divisional Performance Reviews;
- Reporting to Monitor and compliance with terms of authorisation;
- Service transformation managed by a Programme Management Office;
- In year cost pressures are rigorously reviewed and challenged, and alternatives for avoiding cost pressures are always considered;
- Robust assessment process for business cases, including:

- Peer review;
- Impact on quality and care;
- Option appraisal;
- Timed benefits;
- Multi-layered approval; and
- Post audit appraisal.
- The Trust also participates in initiatives to ensure value for money for example:
  - Value for money is an important component of the internal and external audit plans that provides assurance to the Trust regarding processes that are in place to ensure effective use of resources;
  - On-going benchmarking and tenders of operations occur throughout the year to ensure competitiveness of service;
  - In year cost pressures are rigorously reviewed and challenged, and alternatives for avoiding cost pressures are always considered;
  - The Trust subscribes to a national benchmarking organisation (Dr Foster) that provides comparative information analysis on patient activity and clinical indicators. This is used for the risk management process and to identify where improvements can be made;
  - Service Line Reporting is used by Divisional managers to seek to improve financial performance;
  - The Carter recommendations are being reviewed and assessed to determine possible further efficiency opportunities;
  - CQUIN's are negotiated and signed off by Clinical, Operational and Finance Executive directors and operational leads are assigned for each scheme; and
  - An on-line intelligence tool allowing individual budget holders to see their performance;

The Trust's Finance Department has outsourced its transactional processing to NHS Shared Business Services (NHS SBS) for which there is a contract in place which clearly outlines roles and responsibilities of both organisations. The Trust regularly reviews Key Performance Indicators against targets and meets regularly with NHS SBS to discuss any issues or concerns.

NHS SBS have processes and procedures in place which are compliant with Central Government standards as outlined in the Information Assurance Maturity Model and the NHS IG Assurance Framework and provide annual updates on the testing of controls and operations within its shared business facilities in the form of an ISAE3402 report.

## 6. Information Governance

The Information Governance work programme and performance against the national Information Governance Toolkit is closely monitored by the Information Governance Committee, chaired by the Medical Director, who is the Caldicott Guardian. In terms of information risk, the Director of Finance is the nominated Board lead for information risk and the Senior Information Risk Owner (SIRO) for the Trust who attends the Information Governance Committee.

The Trust achieved a satisfactory score in Version 13 of the Information Governance Toolkit with a score of 81%.

## 7. Annual Quality Report

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

### 7.1 Governance and leadership

The mission of the Trust is to provide the best quality health care for all patients that we serve. Our vision is to be in the top 10% for all that we do. The Trust has reviewed its objectives and re-emphasised its commitment to the Quality and Safety Agenda. We are committed to improving quality and safety by adopting a 'Zero Tolerance to Harm Culture'. These values are incorporated within the Trust Mission, Vision and Strategy. The WWL Wheel has been designed as a lasting framework which will help us to communicate our future plans and measure our performance. It recognises the importance of engaging with staff to help shape and achieve our aims and objectives. It gives us a simple framework to support staff development so everyone can understand how they can play their part in achieving the Trust's aims and objectives. The pods around the wheel represent the Trust's values and the plinth on which it stands are the corporate objectives of the Trust.

### 7.2 The role of Policies and Plans in ensuring quality of care provided

It is essential that the Trust has policies and procedures in place to ensure that the services and care provided is

safe and in accordance with best practice. A consultation process is undertaken for policies or procedures which are then approved by a relevant committee or group. The policy or procedure is ratified by the Policy Approval and Ratification Committee (PARC) which has the responsibility of seeking assurance that correct processes have been followed and that the documents meet the Trust's format requirements. All policies and procedures are notified to staff via the Trust News Web Page and are available on the Trust intranet.

At the end of 2013/14 the Trust purchased Bedside Clinical Guidelines. Bedside Clinical Guidelines provide staff with access to clinical guidelines that reflect best evidence in practice or research. The guidelines have been reviewed by professionals within the specialty field. They assist the Trust to maintain best practice in the delivery of care, decision making, continued delivery of improved outcomes for our patients and to standardise care across the organisation.

The Trust recognises that all the decisions, whether clinical, managerial or financial; should be based on information which is of the highest quality. The Trust introduced a Data Quality Strategy 2014/17 in April 2014. A Data Quality Committee, chaired by the Medical Director, has been established to monitor data quality standards. This committee reports to a sub-committee of the Trust Board.

### 7.3 Systems and processes

Clinical quality improvements are monitored at the Clinical Advisory Board and Professional Advisory Board. Escalation arrangements include referral to the Quality and Safety Committee and on to Trust Board.

The Clinical Audit and Effectiveness Committee monitors an annual corporate clinical audit programme and progress against the Trust's Clinical Audit and Effectiveness Strategy. Systems and processes for Clinical Audit are monitored by the Audit Committee.

Complaints, serious incidents, clinical negligence claims, employee liability claims and inquests are monitored weekly, by the Executive Scrutiny Committee. Membership includes the Director of Nursing, Deputy Director of Nursing, Medical Director, Responsible Officer, Trust Board Secretary and governance and assurance team members. Investigations and action plans following serious incidents are reviewed and monitored by the Trust's SIRC Panel. Membership includes the Wigan Borough Clinical Commissioning Group and a Trust Governor. A recent Learning from Mistakes league report has been issued and the Trust was rated as outstanding for its levels of openness and transparency and came 6th out of 230 Trusts.

A quarterly Safe Effective and Caring (SEC) report is received by the Quality and Safety Committee and the Trust commissioners. Quality information is also reported within the quarterly Monitor returns, signed off by the Trust Board. Each Division has a quality dashboard that is monitored at Divisional Quality Executive Committee meetings. The Audit Committee work plan includes presentations on the quality dashboards from each Division.

In 2013/14 a reviewed approach to quality impact assessments (QIA) for cost improvement programme projects was introduced. Every QIA is signed off by the Medical Director and the Director of Nursing.

Following the publication of the Francis, Keogh and Berwick reports the Trust established an internal inspection team including clinical and non-clinical staff, lay members and governor representatives. The Trust held its most recent internal inspection on 19th – 20th June visiting a number of areas of the Trust and reviewing key lines of inquiry. Some examples of the areas to celebrate were noted as the consent processes, staff reporting that they felt well supported and feel empowered to challenge. Some areas for further improvement included the management of Deprivation Of Liberty Standard (DOLS) and training, surgical outliers and flow, and discharge at weekends.

## 7.4 People and Skills

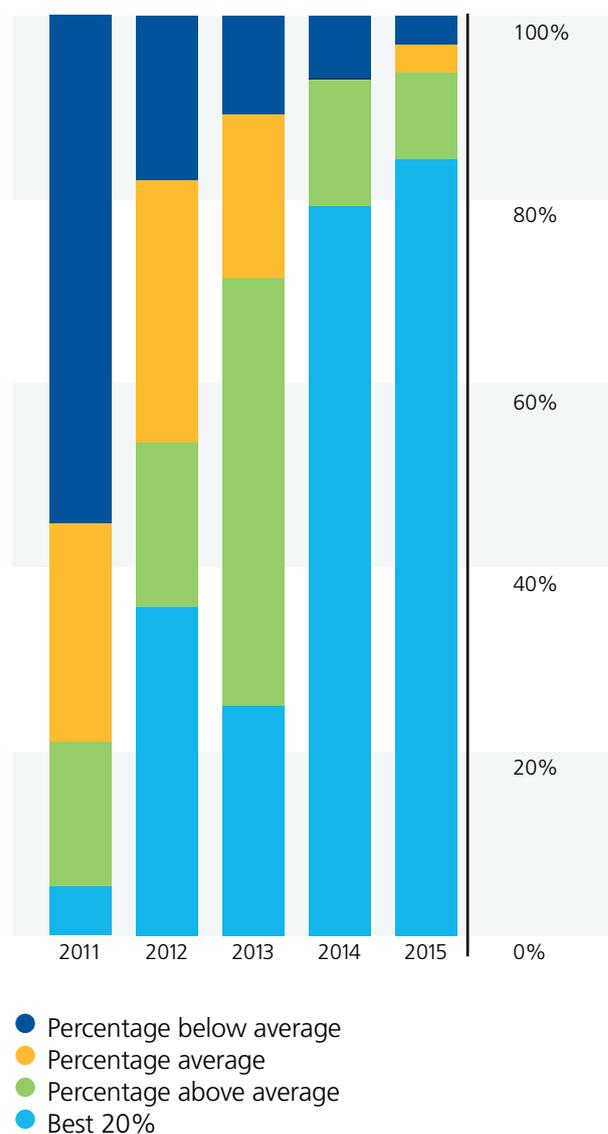
'The WWL Way', the hospital Trust's staff engagement approach has gone from strength to strength over the last 2 years, achieving real improvements in culture, staff engagement and performance. The Trust's staff engagement pathway model that was developed in-house, has assisted both the organisation and individual teams with a measurable framework to measure staff feedback and continually diagnose and understand the cause and effect of staff engagement.

In response to our quarterly staff pulse survey feedback, we held a number of Trust-wide staff engagement events and initiatives to help build upon our organisational levels of engagement. These included themed listening events (departmental e.g. theatres, bands 1-4, disability), an outdoor activity event "WWL Wipeout", growth of our "going the extra mile" recognition cards and staff wellness activities (onsite massage, therapies, resilience training) amongst others. To assist teams with their engagement, the Staff Engagement Pioneer Teams 26 week Programme continued into its 4th and 5th cohorts, enabling even more teams to apply the "WWL Way" staff engagement

toolkit and embed staff engagement locally and self-sufficiently.

Overall the 2015 National Staff Survey results painted a very positive picture. 94% of our survey results were above average and 84% were in the top 20% for Acute Trusts. We came 3rd nationally in the Acute sector for overall levels of staff engagement, which reflects the significant work on staff engagement that has continued over the last 12 months. We are proud that for the fifth consecutive year WWL has significantly improved its performance in the national staff survey (as evidenced in the graph below):

### Wrightington, Wiagn and Leigh NHS Foundations Trust's Yearly Scores on the NHS National Staff Survey



## Future priorities and targets

It is highlighted that there is much to celebrate in the 2015 survey results and we have commenced communication of these results to our staff.

The introduction of WWL's own staff engagement pulse survey has enabled the Trust to analyse engagement trends across the year of 2015, and identify what has enabled staff engagement. The results indicate that the improvements in staff engagement seen in 2015 can be linked in particular to staff feeling trusted and empowered in their workplace, supportive working relationships with managers and colleagues, clear, open and honest communications and an increase in staff feeling valued/recognised.

The pulse survey identifies that engagement has continued to improve throughout the year, whilst energy levels amongst staff have only fractionally improved. There has been some investment in health and well-being initiatives with the aim of improving energy levels (resilience training, mindfulness, on site therapies). But to ensure that the Trust is able to sustain high levels of engagement into 2016, further analysis of the risk of staff burnout and investment in health and well-being interventions are also required.

WWL continues to be recognised as a Trust demonstrating best practice in staff engagement and we are collaborating with eight other NHS organisations to share our learning, through our "Go Engage" Programme.

## 7.5 Data Use and reporting

It is the responsibility of all Trust staff to ensure timely and accurate capture of information to ensure high standards of data quality as defined in the Data Quality Policy. Information plays a key role in the management of patient care and provides the source for operational and management reporting across the organisation. Data accuracy is monitored by the Data Quality Committee via the annual audit plan where assurance or remediation plans are agreed and monitored.

## 7.6 Financial Position/Risks

The Trust is reporting a trading deficit of £4.9m with a Financial Sustainability Risk Rating (FSRR) of 1.

The reported position includes agreements with all relevant Clinical Commissioning Groups and these agreements are reported in the Department of Health's Agreement of Balances exercise.

There are no outstanding risks (that have not been provided for) associated with the 2015/16 financial period.

Looking forward to 2016/17 the Trust has approved a budget which should deliver a safe and effective environment for patient care whilst maintaining financial stability for future investment in the Trust's infrastructure. Achievement of financial plans in 2016/17 is predicated on achievement of predicted activity levels; balancing expenditure to plan; and bringing service transformation schemes to fruition to deliver efficiencies and managing contract penalties.

## 8. Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the External Auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, Quality and Safety Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. (Mandated Text)

My review has been informed by:

- The Board Assurance Framework itself provides me with evidence of the process of the effectiveness of controls that manages the risks to the organisation.
- The Board of Directors, Audit Committee, Q&S Committee and the Risk and Environmental Management Committee and Executive Scrutiny Committee advise me on the implications of the results of my review of the effectiveness of the system of internal control. These committees also advise outside agencies and myself on serious untoward events.
- All the relevant committees within the corporate governance structure have a clear timetable of meetings and a clear reporting structure to allow issues to be raised.
- The Trust Board monitors and reviews the summary Board Assurance Framework on a monthly basis. The Q&S and Audit Committee reviewed the Board

Assurance Framework, which is agreed in conjunction with Executive Directors. Responsibility for reviewing risks noted on the BAF was devolved to the Finance and Investment committee, HR committee, IM&T Strategy committee, Quality and Safety committee and Trust Board prior to final score by the Executive Communications Cell.

- The Department of Governance and Assurance produces a Safe Effective and Caring report. This is presented to the Q&S Committee providing assurance to the Board of Directors on effective risk controls.
- The Audit Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities (both clinical and non-clinical) that supports the achievement of the organisation's objectives.
- The Audit Committee reviews the Trust's performance against Monitor's Foundation Trust Code of Governance (2014). The Trust was deemed compliant with all provisions set out in the Code.
- Internal Audit (IA) reviews the Board Assurance Framework and the effectiveness of the system of internal control as part of the internal audit work to assist in the review of effectiveness. Internal Audit reviewed the Trust's Assurance Framework and concluded the organisation's Assurance Framework is structured to meet the NHS requirements, is visibly used by the Board and clearly reflects the risks discussed by the Board. Six Internal Audit reviews undertaken during the year as part of the IA programme were given limited assurance and these related to a data security review of key financial systems, theatre utilisation; absence management, consultant job plans, E-rostering and Safeguarding Children. Management actions have been put in place to address the issues raised in each of these areas and follow up reviews by Internal Audit have demonstrated good progress against action plans to improve systems and control in line with agreed timeframes.
- The Head of Internal Audit Opinion for 2015/16 is that significant assurance can be given that there is a generally sound system of internal control designed to meet the organisation's objectives and that controls are generally being applied consistently. However some weaknesses in the design or inconsistent application of controls put the achievement of a particular objective at risk.

### Areas for further improvement

The Trust's safe, effective, caring strategy is the basis for

the Trust's corporate and divisional plans and the basis for measuring and reporting on the Trust's progress in reducing avoidable harm and improving quality. The Trust has experienced local challenges to achieving this strategy over the previous year and recognises areas for improvement.

Looking forward into 2016/17, there are several key quality priorities within our Safe, Effective and Caring Strategy:-

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#### Safe

One such challenge is to continue the work to reduce the number of falls by 10%. This work will focus upon patients who sustain multiple falls, have a co-morbidity of dementia and communication with GPs.

Another priority is to ensure that a venous thromboembolism (VTE) risk assessment is completed for patients admitted to hospital to reduce their risk of developing VTE whilst in hospital.

The Trust benchmarks positively against other organisations for HSMR (Hospital-Standardised Mortality Ratio) but not as positively for SHMI (Summary-Hospital Mortality Indicator). The Board has agreed to set a target of 100 for SHMI and this will be monitored via the performance report and Board Assurance Framework on a monthly basis.

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#### Effective

There are several key priorities for the Trust in relation to effective care. These include reducing the number of delayed patient discharges, ensuring patients have the correct anti-coagulation treatment prescribed and administered at the correct time, identification of the deteriorating patient (including the frequency of their observations and staff escalating patient deterioration) and increasing the number of clinical staff who are trained dementia champions. Additionally, a comprehensive register is being developed for all of the Trust's electronic information assets with details of the name and role of the responsible individual.

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#### Caring

Feedback from patients taking part in the real time survey of in patients continue to report that improvements are required in involving them in decisions about their discharge from hospital and that patients are also not always aware of which doctor or consultant is treating them. Focussed work to improve the patient experience includes the introduction of a new set of Always Events during 2015/16, namely "Goodnight Always Events". These aim to measure and then address patients who have reported that they have been bothered by noise at night.

Additionally, when notifiable patient safety incidents occur which trigger the Duty of Candour regulations, the Trust has set itself an objective to contact 100% of relevant persons (patient/relative) within 10 working days to notify them that an incident has occurred or is suspected to have occurred.

## 9. Conclusion

My review confirms that Wrightington, Wigan and Leigh NHS Foundation Trust has sound systems of internal control with no significant internal control issues having been identified in this report.



A handwritten signature in black ink, appearing to read 'Andrew Foster'.

**Andrew Foster**  
Chief Executive

25 May 2016







# Quality Accounts



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# What is a Quality Account?

All providers of NHS Services in England are required to produce an Annual Quality Account. The purpose of a Quality Account is to inform the public about the quality of services delivered by the Trust. Quality Accounts enable NHS Trusts to demonstrate commitment to continuous, evidence based quality improvement and to explain progress to the public. This is the Trust's sixth Quality Accounts.



## Part 1:

### Statement from the Chief Executive

Welcome to our eighth Quality Account. This is a critically important document for us as it was eight years ago that we chose to pursue Quality as the overarching strategy for our services. We use the Darzi definition of Quality – Safe, Effective and Caring – as the basis of our corporate and divisional plans and as the basis for measuring and reporting on our progress in reducing avoidable harm and improving quality.

Welcome to our eighth Quality Account. This is a critically important document for us as it was eight years ago that we chose to pursue Quality as the overarching strategy for our services. We use the Darzi definition of Quality – Safe, Effective and Caring – as the basis of our corporate and divisional plans and as the basis for measuring and reporting on our progress in reducing avoidable harm and improving quality. This is also the fifth year that we have used the WWL Wheel as a simple, visual reminder to strengthen awareness of ‘Safe, Effective and Caring’ and of our quality strategy amongst staff. We continue to actively participate as a member of NHS QUEST; (a network for Foundation Trusts’ who wish to focus on improving quality and safety) working collaboratively with other member organisations to reduce deaths in hospital as well as continuing to reduce readmissions and deliver harm-free care.

As with previous Quality Accounts, we have given considerable priority to collecting and reporting facts and data to monitor our progress. 2015/16 was another year in which we have continued to make good progress at all levels, ranging from nationally published measures, such as infection rates, to our monthly report on avoidable serious harms.

On infection control for the first time we had no cases of Methicillin-Resistant Staphylococcus Aureus (MRSA) bacteraemia infection compared to one in each of the two previous years, and just 12 cases of Clostridium *difficile* compared to 25 the previous year. We also recorded 5 cases of Methicillin-Susceptible Staphylococcus Aureus (MSSA) and 14 E Coli bacteraemia compared to 9 and 17 respectively in 2013/14 and 2014/15.

Another key quality measure is Hospital Standardised Mortality Ratio (HSMR) and we continue to see year-on-year improvement. The most up to date HSMR figure for 2015/16 is 92.3 to February 2016 and we are very proud of this further reduction. To corroborate the data provided by Dr Foster, over the last eight years our absolute numbers of deaths in hospital has gone down from 1,561 in 2007/08 to 1115 in 2015/16, a fall of 29 per cent that can principally be explained by improved quality of care and reduced instances of harm.

This report contains many more facts and figures and I encourage you to study the range of quality initiatives and measures that are in place to improve quality and reduce avoidable harm. Here are some headlines:

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## Safe

- We had 19 serious and moderate falls in hospital, compared to 11 the previous year
- There were no Central Line infections, the same as the previous year
- There have been no incidents that have met the criteria for a Never Event in 2015/16
- There was one case of Ventilator Associated Pneumonia compared to zero in 2014/15

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## Effective

- We invested £15.1m in new buildings, our new Hospital Information System and new equipment
- We successfully achieved all the national targets except for four hour waits in A&E which we achieved for the whole year but failed in the last two quarters

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## Caring

- In the national patient survey we performed significantly better on eight questions and only significantly worse in one compared to the previous year. We were also significantly better than other Trusts on 24 questions and only significantly worse on one.
- In the annual Patient Led Assessments of the Care Environment (PLACE) survey we were the cleanest hospital in the NHS for the second year in a row and our overall scores were the fifth best in the NHS
- Our national staff survey showed that 84% of staff say that “care of patients is my organisation’s top priority” compared to 79% the previous year. The average for the NHS is 75%.
- It also showed that 78% of staff would “recommend my organisation as a place to work” compared to 77% who felt this the previous year. The average for the NHS is 61%.
- This year we grew the number of Quality Champions to 288, each being trained in techniques of quality improvement before taking on leadership of 61 tasks or projects

From the 9th to 11th December 2015, a team of Care Quality Commission (CQC) inspectors visited our hospitals reviewing the services we provide and speaking to patients, visitors, carers and staff. This was followed by an unannounced visit on the 21st December 2015. The Trust welcomed this inspection as an opportunity to showcase the work undertaken by the Trust and the support provided by our patients and staff. At the time of writing, the report has not been published.

Some of the achievements from 2015/16 are outlined above, but we also acknowledge that things often go wrong, sometimes seriously wrong in the NHS and we record some of these below.

The Trust reported 22 serious incidents in 2015/16, in comparison with 30 in 2014/15 and 33 in 2013/14. The Trust received 362 formal complaints in 2015/16. This was a reduction of 4% in comparison with 2014/15.

We have one of the best A&E departments in the country and for the year to Christmas 2015 it was the best performing department in Greater Manchester and 7th in the whole country. However, we had a very difficult winter when our system became overwhelmed for many weeks and our third and fourth quarter performance dipped to 94.0% and 92.38% respectively for the 4-hour standard. We apologise to patients who experienced extensive waiting at that time. However across the year we did achieve the standard and were the only Trust in Greater Manchester to achieve the 95% standard overall with an annual figure of 95.08%. We were also the only acute Trust in the whole of the North of England to achieve this.

We won two awards for Best Performing Trust for acute Myocardial Infarction (MI) and Heart Failure at the Advancing Quality Awards. Although the Trust no longer participates in the Advancing Quality Initiative we continue to measure a bundle of quality indicators for Heart Attack, Heart Failure, Hip Replacement, Knee Replacement, Pneumonia and Stroke.

Over the years that we have been publishing Quality Accounts, we have aimed to build a strong safety culture all the way from the Board to the level of our front line staff who deal directly with patients. We want strong leaders and managers at every level in the organisation, who are committed to quality and safety and who promote a strong and vibrant energy and sense of belonging. Culture is one of the hardest things to change and also one of the most difficult to measure but three of our programmes – Harm-Free Wards, Quality Champions and Always Events, seem to be making a clear and noticeable difference. It is pleasing to note that we won 5 national and regional awards. My congratulations go to the teams in the Pathology, Maternity, Catering, Finance and Research and Development Departments.

2015/16 was a hugely successful year for certain departments at WWL. A number of individuals and departments were honoured with awards in recognition of their outstanding work. It started in June 2015, when Olwen Winstanley, from Voluntary Services, picked up a Lifetime Achievement at the Our Stars Awards event. Next, in July 2015, the Catering department were recipients of the Sandra Heyes Memorial Award at the Hospital Caterers Association (North West) awards. September saw Pathology at Wigan and Salford (PAWS) honoured with a Value and Improvement in Pathology award at the Health Service Journal (HSJ) Value in Healthcare Awards.

On to November 2015, and Dr Chandra Chattopadhyay received a Lifetime Achievement Award, for our Research Department, at the Greater Manchester Clinical Research Awards. The Finance Department also won a prize at the Healthcare Financial Management Association Awards in the same month.

December 2015 saw three of our Quality Champions awarded Advancing Quality Awards, courtesy of AQuA (Advancing Quality Alliance). They were presented with their awards at a Quality Champions Committee meeting on Friday 26 February 2016, having not been able to attend the original ceremony. Two of our consultants were also recipients of Clinical Excellence Awards in January 2016; Professor Nirmal Kumar received a Silver Award, while Mr Martyn Porter attained a Gold Award.

Moving into February 2016, Dr Chandra Chattopadhyay was honoured again, this time by the BMA. They held an event to recognise the contribution of Principle Investigators. Dr Chattopadhyay was recognised in the "Consistently delivers to time and target", in what was another coup for the Research and Development department.

In March 2016, our Maternity Team won a national Friends and Family Test Award in the "Friends and Family Champion" category. The team were honoured at an event in Leeds by NHS England for their creative and innovative approach to implementing the scheme.

In making this statement I can confirm that, to the best of my knowledge, the information contained in this Quality Account is accurate.



**Andrew Foster**  
Chief Executive



## Part 2:

# Priorities for Improvement and Statements of Assurances from the Board

## Part 2.1: Priorities for Improvement in 2016/17

This is the 'look forward' section of the Trust's Quality Account. In April 2014 the Trust launched a Quality Strategy 2014/17 with goals for improvement over the next three years. Sign Up to Safety was also launched in 2014. Outlined below are the three year quality goals, information about the Trust's Sign up to Safety Improvement Plan and the improvements that the Trust plans to undertake over the next three years.

### Quality Strategy 2014/17

The purpose of the Trust's Quality Strategy 2014/17 is to support the achievement of the Trust's overarching strategy to be safe, effective and caring, and the three year corporate objectives for 2014/17 agreed by the Trust Board.

The Quality Strategy 2014/17 outlines a number of quality goals for improvement over a three year period. These goals were identified in consultation with internal and external stakeholders. These quality goals reflect the Trust's corporate objectives and vision to be in the top 10% of everything we do. The Quality Strategy goals for 2014/17 are:

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#### Safe

- **To reduce avoidable harms**  
The Trust aims to move progressively towards zero avoidable harms in hospital over the next three years.
- **To reduce mortality**  
The Trust aims to reach a Hospital-Standardised Mortality Ratio (HSMR) of 83 by 2017 and a Summary Hospital-Level Mortality Indicator (SHMI) of no more than 100 over the next three years.

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#### Effective

- **To improve patient clinical outcomes for planned treatments**  
The Trust aims to be in the top 10% of Trusts for Patient Reported Outcome Measures (PROMS) and Advancing Quality Scores, indicators of positive patient experience.
- **To improve the recognition of and response to the acutely unwell patient**  
The Trust identifies specific areas of concern annually and includes these priorities in the Quality Account.

- **To improve nutrition management**  
The Trust identifies specific areas of concern annually and includes these priorities in the Quality Account.
- **To improve discharge arrangements for patients**  
The Trust identifies specific areas of concern annually and includes these priorities in the Quality Account.

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#### Caring

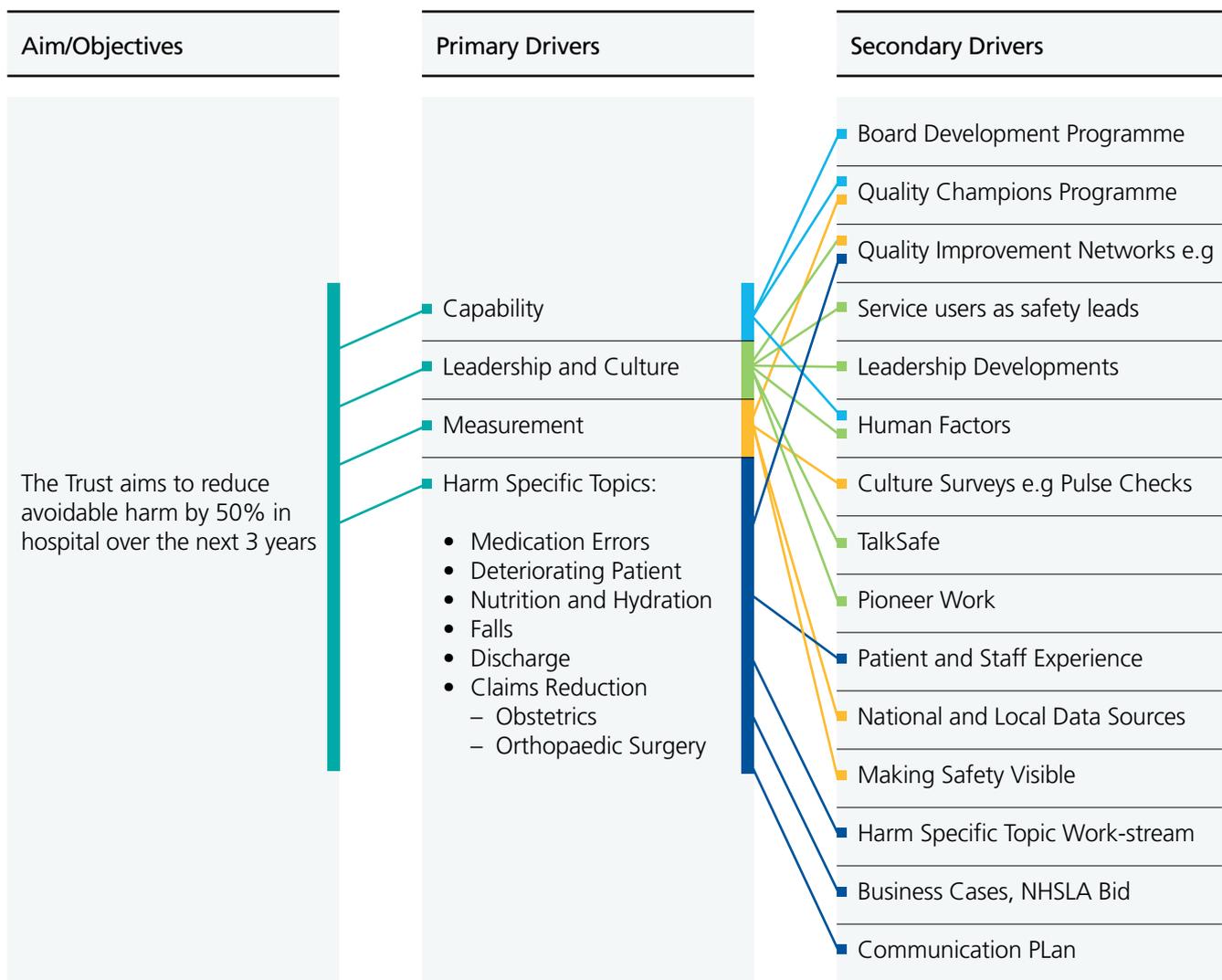
- **To be recognised as the most caring Trust in the country by 2017**  
The Trust aims to be in the top 10% of similar Trusts for patient opinion surveys. The Trust will also identify specific areas of concern identified by patient feedback for annual improvement and include these priorities in the Quality Account.

## Participation in the National Sign Up to Safety Campaign

The aim of the National Sign Up to Safety Campaign is to deliver harm-free care for every patient, every time, everywhere. The campaign champions openness and honesty, and supports everyone to improve the safety of patients. The campaign has a three year objective to reduce avoidable harms by 50% and save 6000 lives over three years.

The Trust 'signed up to safety' in August 2014, committing to the development of an improvement plan which was submitted in January 2015. The Trust's improvement plan builds on the Trust's Quality Strategy 2014/17 and brings together existing quality and safety initiatives that are underway.

The diagram below summarises the Trust's Sign up to Safety Improvement Plan. Detail regarding a number of the initiatives included in the plan is described in this Quality Account.



## Quality Priorities for 2016/17

The Trust's safe, effective and caring strategy is the basis for our corporate and divisional plans and the basis for measuring and reporting on the Trust's progress in reducing avoidable harm and improving quality. The Trust has experienced local successes and challenges in achieving the Trust's safe, effective and caring strategy over the previous year which are outlined throughout this quality account.

The Trust has agreed a number of annual priorities for 2015/16 which support the Trust's Quality Strategy 2014/17, Sign Up to Safety Improvement Plan, and considers some of the Trust's challenges. The annual priorities were agreed following consultation with staff and stakeholders including Governors.

The quality priorities, the rationale for their selection and how the Trust plans to monitor and report progress are outlined below. All quality priorities have a timescale for achievement by the 31st March 2017 and progress to achieve them is monitored by the Quality and Safety Committee.

## Safe

|                    |   |
|--------------------|---|
| <b>Priority 1:</b> | <b>To reach an HSMR (Hospital-Standardised Mortality Ratio) of no more than 85 before rebasing and SHMI (Summary Hospital-Level Mortality Indicator) of no more than 100</b>  |
| <b>Rationale:</b>  | This was a quality priority for the Trust in 2015/16 and remains a priority for 2016/17. HSMR year to to February 2016 (data is three months behind) is 92.3 and within expected range when benchmarked against other organisations. The latest SHMI data is 111.45 (October 2014 - September 2015). The Trust is considered an outlier (has a worse performance for SHMI when compared to other acute Trusts in Greater Manchester.  |
| <b>Monitoring:</b> | The Trust Board and Quality and Safety Committee regularly review HSMR and SHMI data provided by Dr Foster Intelligence, a provider of healthcare information monitoring the performance of the NHS. The data is monitored in the Monthly Trust Board Performance Report and Quarterly Safe Effective Caring (SEC) Report.  |
| <b>Reporting:</b>  | Trust Board; Quality and Safety Committee; Monthly Team Brief   |
| <b>Priority 2:</b> | <b>To reduce the numbers of falls by 10%</b>  |
| <b>Rationale:</b>  | The Trust did not achieve the ambitious target to reduce falls by 10% by the end of 2015/16. Falls continues to be a focus for improvement. A local Commissioning for Quality and Innovation (CQUIN) scheme for 2016/17 relates to falls and the work planned should contribute to a decrease in the numbers of falls by the end of March 2017. This work will focus on patients who sustain multiple falls, people living with dementia and communication with GPs. Further initiatives underway include the provision of ward level data and establishment of Volunteer Patient Companions. |
| <b>Monitoring:</b> | The Harm Free Care Board is responsible for monitoring the work undertaken by the Falls Improvement Group and progress to reduce the number of falls. The number of falls is measured by the incidents reported to the Trusts risk management system (Datix) and reported in the monthly Trust Board Performance Reports.   |
| <b>Reporting:</b>  | Trust Board; Harm Free Care Board   |

|                    |   |
|--------------------|---|
| <b>Priority 3:</b> | <b>To complete a venous thromboembolism (VTE) risk assessment for 95% of patients admitted to hospital</b>  |
| <b>Rationale:</b>  | This has been identified as a priority by the Trust and Wigan Borough Clinical Commissioning Group to act on measures put in place to reduce the risk of venous thromboembolism (VTE) in hospitalised patients  |
| <b>Monitoring:</b> | The Thrombosis Committee is responsible for monitoring compliance to achieve the priority and audit results. The audit excludes patients who have an exempt code listed on their records, such as those attending for a day case procedure, or those admitted for only a few hours before being discharged. |
| <b>Reporting:</b>  | Trust Board, Thrombosis Committee   |

## Effective

|                    |  |
|--------------------|--|
| <b>Priority 1:</b> | <b>To create a comprehensive register for all Trusts electronic information assets with details of the name and role of the responsible individual.</b>  |
| <b>Rationale:</b>  | This was a priority for the Trust in 2015/16 and further work during 2016/17 is required. A simplified Information Asset Owner (IAO) approach has been established. An update was presented to the Audit Committee in February 2016 and it was agreed that further work was required to achieve this priority. |
| <b>Monitoring:</b> | Monthly reports to the Trust's Senior Information Risk Owner (SIRO).   |
| <b>Reporting:</b>  | Audit Committee; Caldicott Committee; Appropriate information is reported in the Information Governance annual return.   |
| <b>Priority 2:</b> | <b>To achieve a 50% reduction in delays in discharges</b>  |
| <b>Rationale:</b>  | The Trust Board has selected this as a corporate objective for 2016/17. Discharge remains a priority for the Trust. Improving discharge for patients is a Quality Strategy goal for 2014/17.   |
| <b>Monitoring:</b> | This priority will be monitored monthly on the Board Assurance Framework. [Measurement currently being developed by Business Intelligence].  |
| <b>Reporting:</b>  | Trust Board; Quality and Safety Committee  |
| <b>Priority 3:</b> | <b>To achieve 95% of patients who have the correct anti-coagulation treatment prescribed and administered at the correct time, 24 hours after admission.</b>   |
| <b>Rationale:</b>  | Anticoagulation is a high risk medication that can result in patient harm if not administered correctly. The Trust has had a number of incidents related to anticoagulation.   |
| <b>Monitoring:</b> | The monitoring of this priority will be undertaken as part of the Trust's participation in the NHS QUEST 'Clinical Community' that has been established to improve anticoagulation management. NHS QUEST is a network for Foundation Trusts who wish to focus on improving quality and safety.                 |
| <b>Reporting:</b>  | Trust Board, Medicine Safety Committee   |

|                    |  |
|--------------------|--|
| <b>Priority 4:</b> | <b>To achieve 100% compliance with the identification of a deteriorating patient, appropriate frequency of observations and escalation of the deteriorating patient.</b>   |
| <b>Rationale:</b>  | Early recognition of the deteriorating patient improves patient's morbidity and mortality and allows appropriate treatment to commence in a timely manner.   |
| <b>Monitoring:</b> | The Critical Care Outreach Team (CCOT) undertakes monthly audits of compliance. In February 2016, the audit results demonstrated that completion of the Modified Early Warning Score (MEWS) algorithm was 94%, however completion of observations was 62%.   |
| <b>Reporting:</b>  | Trust Board; Harm Free Care Board  |
| <b>Priority 5:</b> | <b>To recruit a further 100 clinical staff as dementia champions achieve 25% of appropriate clinical staff are trained dementia champions</b>  |
| <b>Rationale:</b>  | In Greater Manchester there are circa 31,000 patient living with dementia, over 3,500 of those are in the NHS Wigan Borough CCG area. These are an important patient population and we need champions to help manage them effectively. A local Commissioning for Quality and Innovation (CQUIN) scheme for 2016/17 relates to dementia. Currently, the Trust has 250 dementia champions and aims to have 350 by the end of March 2017. |
| <b>Monitoring:</b> | Progress towards this priority will be provided bi-monthly to the dementia Strategy Group.   |
| <b>Reporting:</b>  | Trust Board; Dementia Strategy Group   |

## Caring

|                    |   |
|--------------------|---|
| <b>Priority 1:</b> | <b>To achieve 90% of patients reporting that they were involved as much as they wanted to be in decisions about discharge from hospital.</b>  |
| <b>Rationale:</b>  | The Trust score for patients reporting that they are involved as much as they wanted to be in decisions about their discharge home is 63.6% year to March 2016. There has been steady improvement in this score since April 2015. The Trust held a Discharge Improvement Event in November 2015 with Picker Institute Europe. The Discharge Improvement Group is responsible for implementation of the actions. New admission/discharge wallets are being developed to reinforce information to patients, families and carers regarding discharge. The Trust aims to achieve its target of 90% by the end of 2016/17. |
| <b>Monitoring:</b> | Real Time Patient Surveys are undertaken monthly by lay auditors. The results are reported in the Trust Board Performance Report.   |
| <b>Reporting:</b>  | Trust Board.  |
| <b>Priority 2:</b> | <b>To achieve 90% of patients reporting that they were aware of which doctor or consultant was treating them</b>  |
| <b>Rationale:</b>  | The Trust score for patients reporting that they are aware of which doctor or consultant is treating them is 84.2% year to March 2016. The score has improved over the last four months following the amendment of the question to include doctor or consultant. Patients have responded more positively to 'doctor'. The Trust aims to achieve its target of 90% by the end of 2016/17.  |
| <b>Monitoring:</b> | Real Time Patient Surveys are undertaken monthly by lay auditors. The results are reported in the Trust Board Performance Report.   |
| <b>Reporting:</b>  | Trust Board.  |
| <b>Priority 3:</b> | <b>To achieve an improved benchmarked position for patients reporting that they have been bothered by noise at night.</b>   |
| <b>Rationale:</b>  | The 2015 National Patient Survey results indicated that the Trust scored worse than other Trusts for patients reporting that they were bothered by noise at night. Goodnight 'Always Events' were introduced in late 2015 to reduce unnecessary noise at night and promote a good nights sleep for patients.  |
| <b>Monitoring:</b> | A bi-weekly 'Good Night Always Event' audit is undertaken by Volunteers by way of a random sample of patients.  |
| <b>Reporting:</b>  | Trust Board, Quality and Safety Committee   |

|                    |   |
|--------------------|---|
| <b>Priority 4:</b> | To achieve 100% of notifiable patient safety incidents triggering Duty of Candour requirements acknowledged to relevant person (informing them that the incident has occurred or is suspected to have occurred) within 10 working days of the incident being reported.  |
| <b>Rationale:</b>  | The Trust Board has selected this as a corporate objective for 2016/17. A culture of openness is essential to improve patient safety, experience and service quality. The Trust is aiming to ensure that the responsibilities outlined in strategy regulations for Duty of Candour are undertaken, enhanced and monitored at a senior level within the organisation. Implementation of Duty of Candour has been a priority since the introduction of the regulation in November 2014. The Trust has held a number of training sessions for staff, developed a 'resource page' on the Trust intranet and produced a video providing clarity on the requirements to meet the regulations. |
| <b>Monitoring:</b> | Monthly compliance reporting from the incident reporting system (Datix) for incidents triggering Duty of Candour requirements. This priority will be monitored monthly on the Board Assurance Framework.  |
| <b>Reporting:</b>  | Trust Board, Quality and Safety Committee, Divisional Quality Executive Committees  |

## Part 2.2:

### **Statements of Assurances from the Board**

Wrightington, Wigan and Leigh NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

## Review of Services

During 2015/16 the Trust provided and/or sub-contracted 67 relevant health services as defined in the Trust's Terms of Authorisation as a Foundation Trust.

The Trust has reviewed all the data available to them on quality of care in all 67 of these relevant health services.

The income generated by the relevant health services reviewed in 2015/16 represents 89.3% of the total income generated from the provision of relevant health services by the Trust for 2015/16.

## Participation in Clinical Audits

During 2015/16, there were 20 National Clinical Audits and 4 National Confidential Enquiries covered relevant health services that the Trust provides.

During that period the Trust participated in 90% National Clinical Audits and 100% National Confidential Enquiries of the National Clinical Audits and National Confidential Enquiries which it was eligible to participate in. In addition the Trust participated in a further 10 National Audits (Non-NCAPOP) recommended by HQIP.

The National Clinical Audits and National Confidential enquiries that the Trust was eligible to participate in during 2015/16 are listed in Appendix A.

The National Clinical Audits and National Confidential Enquiries that the Trust participated in, and for which data collection was completed during 2015/16, are listed in Appendix A, alongside the number of cases submitted to each audit or enquiry, as a percentage of the number of registered cases required by the terms of the audit or enquiry.

To date, the reports of 10 National Clinical Audits were reviewed by the provider in the period 1 April 2015 to 31 March 2016, and WWL intends to take/has taken the following actions to improve the quality of healthcare provided.

| Audit   | Trust Actions  |
|---|--|
| National Confidential Enquiry into Patient Outcome and Death (NCEPOD): Gastrointestinal Haemorrhage Study | The Gastrointestinal on-call service is currently under review for improvement.  |
| Mental Health in Emergency Departments  | A Senior House Officer (SHO) Teaching programme has been established and Accident and Emergency (A&E) staff now provide training on the patient information system used in A&E on induction. |
| Sepsis Study  | An audit of the Systematic Inflammatory Response Syndrome (SIRS) criteria is to be undertaken. Blood culture training has been completed.  |
| Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries (MBRRACE)                     | Cases will continue to be reviewed. An audit has been planned for March 2016   |

Trusts are required to include this statement in their Quality Account to demonstrate that the Trust has considered the quality of care across all the services delivered across WWL for inclusion in this Quality Account, rather than focusing on just one or two areas.

| Audit                                    | Trust Actions  |
|--|--|
| National Cardiac Arrest Audit            | Reports are distributed to all Trust staff and periodic updates are given at audit meetings outlining areas for improvement            |
| National Enquiry Laparotomy Audit (NELA) | No actions were agreed   |
| National Joint Registry                  | Regular updates are provided at Audit meetings where areas for improvement are highlighted. The Trust was over 95% compliant this year |
| Rheumatoid Arthritis                     | Actions to be identified following discussion at the next Rheumatology Audit Meeting.  |
| National Hip Fracture Database           | Actions have not been identified as the Trust is performing well.  |
| National Cardiac Arrest Audit (NCAA)     | Actions to be identified following discussion at the next Resuscitation Committee in June 2016.  |

The reports of 205 local clinical audits were reviewed by the provider in 2015/16. A selection of these audits is outlined below and the Trust has taken, or intends to take, the following actions to improve the quality of healthcare provided:

| Audit  | Trust Actions   |
|--|---|
| Re-audit of Mental Health (Accident and Emergency) | Learning has been integrated into Senior House Officer (SHO) teaching and Accident and Emergency staff induction. Actions related to improved record keeping. |
| Re-audit Asthma in Children                        | A revised pathway for children with asthma is in place and staff training has been incorporated into induction  |

| Audit  | Trust Actions   |
|--|---|
| Child protection/ Safeguarding Children Awareness  | A monthly safeguarding bulletin is distributed to staff highlighting learning from safeguarding incidents. Child Protection training packages are under review for levels 1, 2 and 3. The Safeguarding Team are undertaking drop in visits to a number of services including the Neonatal Unit. |
| Two-year development outcome for neonates born at less than 30 weeks gestation and neonates with Hypoxic-Ischemic Encephalopathy (HIE) | An Aetiology Clinic at Thomas Linacre Centre, the Trust's outpatient location, has been established to ensure that tests and investigations can take place in an appropriate setting with nursing support.  |
| Patients with diabetes receiving foot examinations within 24 hours of admission  | The Diabetes Specialist Nurse has introduced a new pathway to ensure patients receive foot examinations within 24 hours of admission. 'Putting feet first' posters have been circulated to wards.   |
| Re-audit of the identification of scaphoid injury  | A new protocol for the identification of scaphoid fractures was introduced. Awareness of this protocol is raised in clinics, triage, radiology and for new doctors. There have not been complications or missed injuries since introduction of protocol.  |
| Transient Ischaemic Attack (TIA) clinic re-audit   | Following introduction of NICE guidelines the audit demonstrated a need for introduction of a TIA clinic. The service was introduced and vast improvements were demonstrated.   |
| Re-audit of accuracy of hand management  | An initial audit demonstrated a low incidence of compliance. A pathway was introduced and vast improvement was achieved. 100% hand injuries were reviewed within the Trust and 100% met standard.   |

| Audit  | Trust Actions  |
|--|--|
| The safe management of children with sleep related breathing disorder (SRBD)   | An initial audit against national best practice guidelines demonstrated inconsistencies in the management of children with SRBD. A teaching package was developed and delivered to clinicians and local protocols were introduced. A re-audit highlighted improvements in several key domains.   |
| An audit of the non-specific venous thromboembolism (VTE) policy and consequential implementation of thyroidectomy specific VTE policy | An initial audit highlighted increased risk to patients regarding the Trust-wide non-specific VTE risk assessment policy. A risk stratified thyroidectomy-specific policy was introduced. Rapid cycle audits undertaken demonstrated a reduction of the post-operative haematoma to 0% (previously 9%) with no increased incidence of VTE. |
| Implementing a "one stop" Consultant led ultrasound fine needle aspiration service for Thyroid lumps                                   | The Trust has introduced a 'Bethseda system' for reporting Thyroid Fine Needle Aspiration (FNA). This has provided a more methodical and standardised approach. It has provided increased diagnostic accuracy and streamlined patient flow allowing for a reduction in time taken for formulation of a management plan.                    |
| Introduction of 7 day Physiotherapy service re-audit   | Following an initial audit a 7 day physiotherapy service was introduced to accommodate weekend discharges. Average length of stay has decreased. The service ensures consistency and continuity of care providing patients with the opportunity to meet goals regardless of their day of surgery.  |

| Audit   | Trust Actions   |
|---|---|
| Ectopic Pregnancy   | Following poor results a database was developed by the Trusts Information Technology team. Results were disseminated to all relevant staff including a pathway for Accident and Emergency. A re-audit demonstrated excellent compliance |
| Modified Early Obstetric Warning System (MEOWS) chart audit | Guidelines have been amended to remind staff to clearly record respiratory rate. Frequency of timing of observations have been agreed and staff training is provided annually.  |

Audit Actions are monitored at monthly audit meetings as well as at Divisional Quality Executive meetings. Actions are signed off as complete (on the audit database) when feedback is provided back to the audit department by those responsible for implementing the actions.

National clinical audits are primarily funded by the Department of Health and commissioned by the Healthcare Quality Improvement Partnership (HQIP) which manages the National Clinical Audit and Patients Outcome Programme (NCAPOP). Although national clinical audits are not mandatory, organisations are strongly encouraged to participate in those that relate to the services they deliver. It is mandatory to publish participation in national clinical audits in a Trust's Quality Account. A high level of participation provides a level of assurance that quality is taken seriously by the Trust and that participation is a requirement for clinical teams and individual clinicians as a means of monitoring and improving their practice. Local clinical audit is also important in measuring and benchmarking clinical practice against agreed standards of good professional practice.

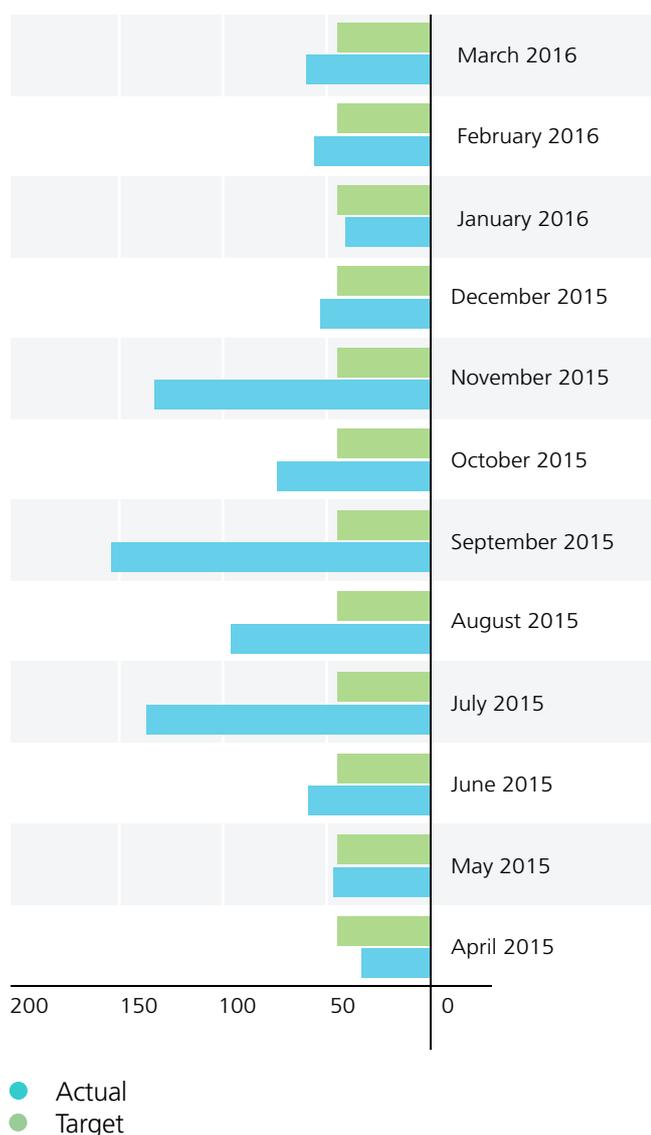
## Research

### Participation in Clinical Research

The number of patients receiving relevant health services provided or sub-contracted by the Trust in 2015/16 who were recruited during this period to participate in research (approved by a research ethics committee registered and adopted onto the 'National Institute for Health Research (NIHR) Portfolio') was 943; an average of 78 patients per month.

### Patient Recruitment 2015/16

The following chart illustrates target recruitment versus actual recruitment to research studies in 2015/16.



Participation in clinical research demonstrates the Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff are continually updated about the latest treatments. Active participation in research leads to improved patient outcomes.

The Trust was involved in conducting 120 clinical research studies in a variety of specialities during the year 2015/16.

The improvement in patient health outcomes demonstrates that a commitment to clinical research leads to better outcomes for patients. An example of this has been our growing involvement in research associated with infertility. The new fertility centre at Wrightington Hospital is attracting significant interest from both patients and innovators.

The Trust's five-year research strategy aims to include all clinical staff in research. Each year the Research Department has identified a clinical area for promoting and supporting research. This has proved successful and areas of interest have greatly increased with strong recruitment in the following clinical specialities:

Rheumatology; Cardiology; Diabetes; Surgery; Stroke; Paediatrics; Obstetrics; Cancer; Ear Nose and Throat (ENT); Gastroenterology; Dermatology; Musculo-skeletal and Infection Control; Infertility; Ophthalmology.

Training and Development opportunities are provided by the Research Department to support staff in conducting quality research studies in a safe and effective manner. All staff who support research activity within the Trust are trained in Good Clinical Practice (GCP) which is an international quality standard transposed into legally required regulations for clinical trials involving human subjects.

Publications have resulted from both our engagement in NIHR Portfolio research and Trust supported research, which has secured Ethical Approval.

It is important that we continue to support both pilot studies in preparation for larger research projects and smaller research studies which do not qualify for adoption onto the NIHR Portfolio because they do not require access to a funding stream. This shows our commitment to transparency and our strong desire to improve patient outcomes and experience across the NHS.

The clinical research team supports all clinical teams conducting research studies, ensuring the safe care of patients and adherence to the European Directive, Good Clinical Practice guidelines and data collection standards.

As a result of this expert support, the larger clinical community within the Trust is in a position to conduct a wide variety of clinical research which will ultimately provide better access to research for our patients.

Research is a core part of the NHS, enabling the NHS to improve the current and future health of the people it serves. 'Clinical research' refers to research that has received a favourable opinion from a Research Ethics Committee within the National Research Ethics Service (NRES). Trusts must keep a local record of research projects.

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

A proportion of the Trust's income for 2015/16 was conditional upon achieving quality improvement and innovation goals agreed between Wrightington, Wigan and Leigh NHS Foundation Trust and any person or body with whom they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. In 2015/16 the Trust achieved £5,455,008 in CQUIN funding representing 99% of the total available which is a small increase on 2014/15 when £5,450,641 was achieved.

The Trust CQUIN schemes for 2015/16 covered the following areas

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### 1. National Schemes

- a. Acute Kidney Injury (AKI) – content of discharge summary documentation
- b. Sepsis – improvements in screening and antibiotic administration in A&E
- c. Dementia – improvements in care for patients and their carers
- d. Avoidable admissions – reduction in these admissions
- e. Coding of mental health related attendance at accident and emergency

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### 2. Greater Manchester Scheme

- a. Information Management and Technology (IM & T) – roll out of integrated care records

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### 3. Local Schemes

- a. Sepsis training for primary care – delivery of sessions
- b. Maternity safety thermometer – improvements in care
- c. Discharge summary content improvement – quality improvements
- d. New Trust Health Information System – roll out of programme
- e. Mortality improvements – compliance with audit of governance surrounding mortality

The Trust has faced a number of challenges in the delivery of CQUIN in 2015/16, in particular in relation to the national sepsis screening and antibiotic administration scheme. However, despite this, there has been a significant improvement, particularly in relation to

antibiotic administration within one hour, improving from 6% in July 2015 rising to 92 compliance by March 2016. This represents a major improvement in patient care. The AKI scheme regarding inclusion of key data in discharge summaries has been challenging, as the current systems do not support electronic transfer of this information. It has therefore been dependant on individual clinicians including the information which may not always have been clinically relevant, for example, where the AKI is completely resolved before discharge.

As well as the sepsis improvements outlined in this section, the Trust achieved a reduction in admissions for ambulatory care-sensitive conditions, linked to work done to reduce readmissions for these patients. In addition Wigan Borough Clinical Commissioning Group has been particularly impressed with the work undertaken to improve the governance structure for mortality and the process for investigating alerts. The Trust continues to perform well in relation to the areas captured by the maternity safety thermometer. The main CQUIN schemes for 2015/16 will roll forward to become key performance indicators in 2016/17 to ensure sustained performance and improvement.

In addition to the national CQUIN schemes for 2016/17, local schemes will focus on the following areas:

- Discharge documentation and process
- Nutrition and hydration
- Falls
- Paediatric diabetes
- Promoting Healthy Lifestyle

An estimated income of £5,000,000 is conditional upon achieving the quality improvement and innovation goals in 2016/17.

The CQUIN payment framework aims to embed quality at the heart of Commissioner-Provider discussions and indicates that the Trust is actively engaged in quality improvements with our Commissioners. Achievement of the CQUIN quality goals impacts on income received by the Trust.

## What others say about WWL

### Statements from the Care Quality Commission (CQC)

The Trust is required to register with the Care Quality Commission; its current registration status, at the end of 2015/16, is registration without compliance conditions.

The Care Quality Commission (CQC) has not taken enforcement action against the Trust during 2015/16.

The Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

In May 2015 the Trust received the final CQC Intelligent Monitoring Report outlined the following risks:

| Risk Level      | Indicator   |
|-----------------|---|
| ● Elevated Risk | Never Events Incidence  |
| ● Elevated Risk | SSNAP Domain 2: Overall team-centred rating score for key stroke unit indicator               |
| ● Elevated Risk | Emergency readmissions with an overnight stay following an emergency admission (Nov12/ Oct13) |
| ● Elevated Risk | In-Hospital Mortality - Infectious Disease  |
| ● Risk          | In-hospital mortality - Vascular Conditions and Procedures                                    |

The CQC Intelligent Monitoring Tool was utilised by compliance inspectors to identify areas of care that require further investigation and assisted them to determine their programme of inspection. The Trust implemented actions to address the above risks. The CQC has ceased the publication of Intelligent Monitoring Reports for acute Trusts.

The CQC has an inspection programme for all hospital Trusts in England. From the 9th to 11th December 2015 a team of CQC inspectors visited our hospitals, speaking to patients, families, carers and staff and they reviewed the services provided by the Trust. This was followed by an unannounced visit on Monday 21st December 2015.

The Trust welcomed this inspection as an opportunity to showcase the excellent work undertaken by the Trust, the support provided to our patients and staff and the improvements made since our last inspections in 2013. It was also an opportunity to demonstrate our awareness of our risks and the plans in place to address them. We were also able to demonstrate how we gain feedback from our patients and staff, and how the Trust learns and continuously improves to provide safe, effective and caring treatment and support to our patients and their families or carers.

### The CQC review key lines of enquiry (KLOEs) under 5 domains:

#### Safe

Are people protected from abuse and avoidable harm?

#### Effective

Do people's care, treatment and support achieve good outcomes, promote a good quality of life and is this based on the best available evidence?

#### Caring

Do staff involve and treat people with compassion, kindness, dignity and respect?

#### Responsive

Are services organised so that they meet people's needs?

#### Well-led

Do the leadership, management and governance of the organisation assure the delivery of high-quality person-centred care, supports learning and innovation, and promote an open and fair culture?

The CQC will rate every domain (safe, effective, caring, responsive and well-led) for every core service and provide an overall rating for each core service. The CQC will also rate every domain for the Trust as a whole and provide an overall Trust rating. The ratings are as follows:

- Outstanding
- Good
- Requires Improvement
- Inadequate

At the time of writing the CQC findings have not been published.

All NHS Trusts are required to register with the Care Quality Commission. The CQC undertakes checks to ensure that Trusts are meeting the Fundamental Standards for Quality and Safety. If the CQC has concerns that providers are non-compliant, there are a wide range of enforcement powers that it can utilise, which include issuing a warning notice and suspending or cancelling registration.

## NHS Number and General Medical Practice Code Validity

The Trust submitted records during 2015/16 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

which included the patients' valid NHS number was:

- 99.9% for admitted patient care;
- 99.9% for outpatient care; and
- 99.2% for accident and emergency care.

which included the patients' valid General Medical Practice Code was:

- 100% for admitted patient care;
- 100% for outpatient care; and
- 100% for accident and emergency care.

The patient NHS number is the key identifier for patient records. Accurate recording of the patient's General Medical Practice Code (Patient Registration) is essential to enable the transfer of clinical information about the patient from a Trust to the patient's General Practitioner (GP).

## Information Governance Toolkit Attainment Levels

The Trust's Information Governance Assessment Report overall score for 2015/16 was 81% and was graded a satisfactory submission.

Information Governance ensures necessary safeguards for, and appropriate use of, patient and personal information. The Information Governance Toolkit is a performance tool produced by the Department of Health (DH) and now hosted by the Health and Social Care Information Centre (HSCIC). It draws together the legal rules and central guidance related to Information Governance and presents them in one place as a set of information governance requirements.

## Clinical Coding Error Rate

The Trust was not subject to a Payment by Results clinical coding audit during 2015/16 by the Audit Commission. However it did commission an audit undertaken by Clinical Classifications Service approved Clinical Coding Auditors from Blackpool Teaching Hospitals NHS Foundation Trust, to provide external assurance of its coding quality. The error rates reported in this audit for that period for diagnoses and treatment coding (clinical coding) were:

- Primary Diagnoses incorrect 1.00%
- Secondary Diagnoses incorrect 4.04%
- Primary Procedures Incorrect 3.82%
- Secondary Procedures Incorrect 2.98%

The results relate to a random audit sample of 200 Consultant Episodes from July to September 2015 and should not be extrapolated further than the actual sample audited. In accordance with Information Governance Toolkit standards for criteria 510 this has resulted in a level 3 achievement which is the highest rating available. The report commended the Trust for its commitment to clinical coding in terms of clinical coding training, clinical engagement and accuracy levels.

Clinical coding translates the medical terminology written by clinicians to describe a patient's diagnosis and treatment into standard recognised codes. The accuracy of this coding is a fundamental indicator of the accuracy of patient records.

## Statement on relevance of Data Quality and your actions to improve your Data Quality

The Trust will be taking the following actions to improve data quality:

The Trust has a Data Quality Committee with responsibilities for ensuring that data standards are achieved and maintained. The annual data quality audit plan rates information audited using the data quality kite mark which is measured on accuracy, source, timeliness and validity. Recommendations are provided and associated action plans where findings show that data quality could be improved.

The Data Quality Committee also has responsibilities for reviewing the data submitted as part of the Quality Accounts ensuring that the data has been submitted by responsible data owners, the data source is credible and the data quality is accurate.

The Trust will be taking the following actions to focus on improving data quality in 2016/17:

- Recruitment of administration posts to ensure 'out of hours' patient admissions are recorded in real time and not retrospectively by ward clerks.
- Review all activities being undertaken to provide clinical care and ensure these are recorded electronically as well as in paper notes.
- Monitoring the conversion of paper data collection methods to electronic methods with the implementation of the new electronic Health Information System to ensure data quality is maintained and where possible improved.

Good quality information underpins the effective delivery of patient care and is essential if improvements in quality of care are to be made. The Trust Board is required to sign a 'Statement of Directors' Responsibilities in respect of the Quality Report, part of which is to confirm that data underpinning the measures of performance reported in the Quality Report is robust and reliable, that the data conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review.



## Part 2.3:

# Reporting Against Core Indicators

The Trust is required to report performance against a core set of indicators using data made available to the Trust by the Health and Social Care Information Centre (HSCIC).

For each indicator, the number, percentage, value, score or rate (as applicable) for at least the last two reporting periods, is presented in the table below. In addition, where the required data is made available by the HSCIC, a comparison is made of the numbers, percentages, values, scores or rates of each of the NHS Trusts indicators with:

- a) National average for the same, and;
- b) Those NHS Trusts with highest and lowest for the same.

| Indicator        | Reporting Periods   | Trust Performance             | National Average             | Benchmarking  |   |
|------------------|---|-------------------------------|------------------------------|---|---|
| <b>Mortality</b> | (a) The value and banding of the summary hospital-level mortality indicator ("SHMI") for the Trust for the reporting period; and                | April 2014 - March 2015       | Value: 1.126,<br>Banding: 1  | Value: 1.002<br>Best: The Whittington Hospital NHS Trust (RKE): Value:0.67, Banding: 3<br>Worst: North Tees and Hartlepool NHS Foundation Trust (RVW) : Value: 1.21 , Banding: 1    |   |
|                  |   | October 2014 - September 2015 | Value: 1.115,<br>Banding : 1 | Value: 1.004<br>Best: The Whittington Hospital NHS Trust (RKE): Value:0.652 , Banding: 3<br>Worst: North Tees and Hartlepool NHS Foundation Trust (RVW) : Value: 1.177 , Banding: 1 |   |
|                  | (b) The percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust for the reporting period. | April 2014 - March 2015       | 28.9%                        | 25.7%   | Best: The Whittington Hospital NHS Trust (RKE) : Value:0%<br>Worst: Imperial College Healthcare NHS Trust (RYJ) : Value: 50.85%   |
|                  |   | October 2014 - September 2015 | 28.6%                        | 26.6%   | Best: The Whittington Hospital NHS Trust (RKE) : Value:0.19%<br>Worst: Imperial College Healthcare NHS Trust (RYJ) : Value: 53.5% |

### Assurance Statement

#### The Trust considers that this data is as described for the following reasons:

Hospital Standardised Mortality Ratio (HSMR) results for the year within expected range. SHMI results do not benchmark as well. The difference between the two indicators is predominantly due to the effect of deaths out of hospital. Work to understand the deaths out of hospital has not identified areas of poor care or obvious areas for improvement. The work continues to seek out areas for development. The Trust's weekly deaths audit seeks to convert statistics into real cases and real areas for improvement. This has successfully led to clinical improvements throughout the last eight years. The work also allows us to understand our "potentially preventable death rate" which for the year was 3.4%. This is close to the levels quoted by Hogan in the Preventable Incidents,

Survival and Mortality (PRISM) 2 study and more recently shared by NHS England as an aspirational process for understanding improvement that could be made in mortality.

#### The Trust intends to take the following actions to improve these indicators and, thereby, the quality of its services, by:

Continuing the work of looking at real cases and provide learning from these. The work is shared widely on a week by week basis and summarised annually. Issues are identified and work plans agreed for improvement.

| Indicator  | Reporting Periods  | Trust Performance                     | National Average | Benchmarking |   |
|--|--|---------------------------------------|------------------|--------------|---|
| Patient Reported Outcome Measures Scores (PROMs) | The Trust's patient reported outcome measures scores during the reporting period for -<br>i) groin hernia surgery; | April 2013 - March 2014               | 0.099            | 0.085        | Best: BMI - The Foscoote Hospital (NVC11): Value:0.14<br>Worst: North Downs Hospital (NT415) : Value: 0.008   |
|  |  | April 2014 - March 2015 (Provisional) | 0.074            | 0.083        | Best: Poole Hospital NHS Foundation Trust (RD3): Value: 1.54<br>Worst: Lewisham and Greenwich NHS Trust (RJ2): Value: -1.94                         |
|  | i) varicose vein surgery;  | April 2013 - March 2014               | n/a              | 0.093        | Best: Wye Valley Nhs Trust (RLQ) : Value: 0.15<br>Worst: Imperial College Healthcare NHS Trust (RYJ) : Value: 0.23                                  |
|  |  | April 2014 - March 2015 (Provisional) | n/a              | 0.094        | Best: Buckinghamshire Healthcare NHS Trust (RXQ): Value: 0.15<br>Worst: St George's University Hospitals Nhs Foundation Trust (RJ7) : Value: -0.002 |
|  | ii) hip replacement surgery;   | April 2013 - March 2014               | 0.441            | 0.436        | Best: BMI - The Park Hospital (NT427): Value: 0.54<br>Worst: Homerton University Hospital NHS Foundation Trust (RQX): Value: 0.31                   |
|  |  | April 2014 - March 2015 (Provisional) | 0.453            | 0.436        | Best: SPIRE CLARE PARK HOSPITAL (NT345): Value: 0.52<br>Worst: WALSALL HEALTHCARE NHS TRUST (RBK) : Value: 0.33                                     |

| Indicator  | Reporting Periods             | Trust Performance                     | National Average | Benchmarking |  |
|--|-------------------------------|---------------------------------------|------------------|--------------|--|
| Patient Reported Outcome Measures Scores (PROMs) cont. | iii) knee replacement surgery | April 2013 - March 2014               | 0.302            | 0.323        | Best: Nuffield Health, Cambridge Hospital (NT209) : Value: 0.42<br>Worst: Homerton University Hospital NHS Foundation Trust (RQX): Value: 0.21 |
|  |                               | April 2014 - March 2015 (Provisional) | 0.300            | 0.310        | Best: Nuffield Health, Cambridge Hospital (NT209) : Value: 0.42<br>Worst: South Tyneside NHS Foundation Trust (RE9) : Value: 0.204             |

#### Assurance Statement

The Trust considers that this data is as described for the following reasons:

The data is validated and published by Patient Related Outcome Measures (PROM's); and is accessible via the Health and Social Care Information Centre (HSCIC).

The Trust has taken the following actions to improve this indicator and, thereby the quality of its services, by:

The data collection process within the pre-operative assessment clinics has been realigned to increase participation rates.

| Indicator            |  | Reporting Periods       | Trust Performance | National Average | Benchmarking   |
|----------------------|--|-------------------------|-------------------|------------------|--|
| Hospital Readmission | The percentage of patients readmitted to a hospital which forms part of the Trust, within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period: aged 0-15       | April 2010 - March 2011 | 7.73              | 10.31            | Best: Epsom & St Helier University Hospitals NHS Trust (RVR): 6.41<br>Worst: Royal Wolverhampton Hospitals NHS Trust (RL4): 14.11                      |
|                      |  | April 2011 - March 2012 | 7.95              | 10.23            | Best: Epsom & St Helier University Hospitals NHS Trust (RVR): 6.4<br>Worst: Royal Wolverhampton Hospitals NHS Trust (RL4): 14.94                       |
|                      | The percentage of patients readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust, during the reporting period: aged 16 or over | April 2010 - March 2011 | 12.71             | 11.55            | Best: Shrewsbury and Telford Hospital NHS Trust (RXW): 9.20<br>Worst: Heart of England NHS Foundation Trust (RR1): 14.06                               |
|                      |  | April 2011 - March 2012 | 12.40             | 11.56            | Best: Norfolk and Norwich University Hospital NHS Foundation Trust (RM1): 9:34<br>Worst: Epsom & St Helier University Hospitals NHS Trust (RVR): 13.80 |

### Assurance Statement

The Trust considers that this data is as described for the following reasons:

Due to the high profile of readmissions and the potential high cost penalties associated with not achieving the targets, analysis of data, implementation of improvements and development of an electronic application has ensured that the Trust has undertaken a comprehensive and robust response. This represents the latest available data from the Health and Social Care Information Centre (HSCIC).

The Trust has taken the following actions to improve this indicator and so the quality of services by:

A project group, led by the Team Leader of the Access to Community Services Team acting as project manager, has implemented a number of initiatives which, together, aim to reduce the overall number of readmissions. Work to focus on high re-attending patients is a priority, to understand the reasons for readmission and development of care plans, which could redirect patients to more appropriate community services.

Hospital readmissions within 28 days of being discharged from hospital for all age groups (excluding private patients and well babies) for 2014/15 was 6.3%. For 2015/16 it is 6.1%.

| Indicator   | Reporting Periods                 | Trust Performance | National Average | Benchmarking  |
|---|-----------------------------------|-------------------|------------------|---|
| <b>Responsiveness to Personal Needs</b><br>The Trust's responsiveness to the personal needs of its patients during the reporting period | National Inpatient Survey 2013-14 | 75.50%            | 76.90%           | Best: The Royal Marsden NHS Foundation Trust (RPY): 87%<br>Worst: Croydon Health Services NHS Trust (RJ6): 67.1%                  |
|   | National Inpatient Survey 2014-15 | 66.90%            | 68.90%           | Best: The Royal Marsden NHS Foundation Trust (RPY) : Value: 86.1%<br>Worst: Croydon Health Services NHS Trust (RJ6): Value: 59.1% |

#### Assurance Statement

The Trust considers that this data is as described for the following reasons:

The Trust has performed slightly below national average for patients reporting that their personal needs are responded to.

The Trust has taken the following actions to improve this score to the quality of its services by:

The Trust continues to respond to the National Survey by making improvements in patient care based on the results. There have been a number of improvements made during the last 12 months including some detailed work around patient discharge: Ensuring on admission that patients receive an Expected Date of Discharge, Discharge Coordinators will provide support and advice during Consultant ward rounds. All patients will be aware of the consultant who is providing their treatment and care. The introduction this year of the Welcome Packs, which will include information on both the Discharge process and all services at Discharge, will be provided to every patient on admission. There will be continued focused work ensuring that the Always Events and the Goodnight Always Events continue to be embedded and provided reinforcement across the organisation.

| Indicator                              |  | Reporting Periods              | Trust Performance | National Average | Benchmarking  |
|--|--|--------------------------------|-------------------|------------------|---|
| <b>Friends and Family Test (Staff)</b> | The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends. | National NHS Staff Survey 2014 | 78.00%            | 65.00%           | Best: Frimley Park Hospital NHS Foundation Trust (RDU):89%<br>Worst: Royal Cornwall Hospitals NHS Trust (REF): 38%                        |
|  |  | National NHS Staff Survey 2015 | 79.00%            | 69.00%           | Best: Northumbria Healthcare NHS Foundation Trust (RTF) : Value: 85%<br>Worst: Isle of Wight NHS Trust (acute sector) (R1F1) : Value: 46% |

### Assurance Statement

The Trust considers that this data is as described for the following reasons:

The Trust has performed better than the national average for staff recommending the Trust as a place to friends and family as a place to be treated. The Trust has also scored above average for staff recommending the Trust as a place to work, and is the highest performing in the North West Sector for this measure.

The Trust has been able to sustain this position by regularly acting on staff feedback. The Trust distributes it's own staff engagement pulse survey which is issued to a quarter of staff every quarter of the year.

The quarterly pulse survey has been of significant value to WWL over the last two years. It has enabled the Trust to act quickly on the issues identified, ensuring that we are always aware of trends and new issues. Many Trusts do not have access to this type of staff feedback and rely solely on the annual National staff survey. The quarterly pulse surveys and associated actions have been integral to shaping the organisational culture.

The results of the quarterly pulse survey indicate that the improvements in staff engagement seen in 2015 can be linked in particular to staff feeling trusted and empowered in their workplace, supportive working relationships with managers and colleagues, clear, open and honest communications and an increase in staff feeling valued/recognised.

The Trust intends to take the following actions to improve this percentage and, so the quality of its services, by:

The pulse survey identifies that engagement has continued to improve throughout the year, whilst energy levels amongst staff have only fractionally improved. There has been some investment in health and well-being initiatives with the aim of improving energy levels (resilience training, mindfulness, on site therapies).

But to ensure that the Trust is able to sustain high levels of engagement into 2016, further analysis of the risk of staff burnout and investment in health and well-being interventions are also required. Further investment in enhanced staff engagement interventions are also in the pipeline, including a staff phone "app", enhanced reward and recognition schemes, sporting events, targeted listening events and continuation of the pioneer teams programme.

| Indicator                    |   | Reporting Periods            | Trust Performance | National Average | Benchmarking   |
|------------------------------|---|------------------------------|-------------------|------------------|--|
| <b>Venus Thromboembolism</b> | The percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism during the reporting period. | October 2014 - December 2014 | 96.00%            | 96.00%           | Best: Bridgewater Community Healthcare NHS Trust (RY2), Queen Victoria Hospital NHS Foundation Trust(Rpc), Royal National Hospital For Rheumatic Diseases NHS Foundation Trust(RBB), South Essex Partnership University NHS Foundation Trust(RWN), The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust(RL1), Blackpool Teaching Hospitals NHS Foundation Trust(RXL), Basildon and Thurrock University Hospitals NHS Foundation Trust (RDD), Derbyshire Community Health Services NHS Trust(RY8), Royal National Orthopaedic Hospital NHS Trust(RAN) : 100% |
|                              |   |                              |                   |                  | Worst: Cambridge University Hospitals NHS Foundation Trust (RGT): 81%  |
|                              |   | October - December 2015      | 98.60%            | 95.50%           | Best: The Robert Jones And Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RL1), Bridgewater Community Healthcare NHS Trust (RY2), Royal National Orthopaedic Hospital NHS Trust (RAN), South Essex Partnership University NHS Foundation Trust (RWN): Value: 100%   |
|                              |   |                              |                   |                  | Worst: Hull And East Yorkshire Hospitals NHSTrust (RWA) : Value: 78.5%   |

### Assurance Statement

The Trust considers that this data is as described for the following reasons:

Compliance data is reported on by clinical audit and discrepancies investigated. Increased resources have been used to improve staff training and data collection.

The Trust has taken the following actions to improve this percentage and so the quality of its services by:

Root cause analysis is undertaken for all patients who develop a Venous Thromboembolism whilst in hospital. Review of patients who are not VTE assessed also takes place to understand the reasons for this and lessons to be learnt.

| Indicator   | Reporting Periods       | Trust Performance | National Average | Benchmarking  |
|---|-------------------------|-------------------|------------------|---|
| <b>Clostridium difficile (C. difficile)</b><br>The rate per 100,000 bed days of cases of <i>C. Difficile</i> infection reported within the Trust amongst patients aged 2 or over during the reporting period. | April 2013 - March 2014 | 21.4              | 14.7             | Best: Birmingham Women's (RLU), Moorfields Eye Hospital (RP6), Royal National Hospital for Rheumatic Diseases (RBB); 0.00<br>Worst: University College London Hospitals (RRV): 37.1 |
|   | April 2014 - March 2015 | 16.3              | 15.1             | Best: Alder Hey Children's (RBS), Birmingham Children's Hospital (RQ3), Birmingham Women's (RLU), Moorfields Eye Hospital (RP6): 0.00<br>Worst: The Royal Marsden (RPY):62.2        |

### Assurance Statement

#### The Trust considers that this data is as described for the following reasons:

The data describes an improved rate per 100,000 bed days of *C.difficile* infection which has continued to improve year on year. The Trust has worked hard, not only to reduce individual *C.difficile* cases, but also to increase operational throughput capacity. These two processes in conjunction have reduced *C.difficile* rates per 100,000 bed days.

#### The Trust intends to take the following actions to improve this rate and thereby the quality of services by:

Continuing efforts to improve its *C.difficile* rate per 100,000 bed days by working with admission, operational and discharge Coordinators, to improve data collection and prevent health care associated infection. Continue working with other organisations on reducing *C. difficile* as a Total Health economy.

| Indicator                       |  | Reporting Periods         | Trust Performance  | National Average   | Benchmarking   |
|---------------------------------|--|---------------------------|--|--|--|
| <b>Patient Safety Incidents</b> | The number, and where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death. | April 2014-September 2014 | 2664 Incidents Reported (Rate per 1000 Bed Days 35.11) / 19 Serious Incidents (0.7%) | 587,483 Incidents Reported / 2851 Serious Incidents (0.5%) | Best: Doncaster & Bassetlaw Hospitals NHS Foundation Trust (RP5): Incidents Reported 35 (Rate per 1000 bed days 0.24) / 29 Serious Incidents (82.9%)<br>Worst: Northern Devon Healthcare NHS Foundation Trust (RBZ) Incidents Reported 3795 (Rate per 1000 bed days 74.96) / 55 Serious Incidents (1.4%) |
|                                 |  | October 2014 - March 2015 | 3153 Incidents Reported (Rate per 1000 Bed Days 41.3) / 11 Serious Incidents (0.35%) | 621,776 Incidents Reported / 3089 Serious Incidents (0.5%) | Best: Poole Hospital NHS Foundation Trust (RD3): Incidents Reported 4377 (Rate per 1000 bed days 46.9) / 2 Serious Incidents (0.046%)<br>Worst: South Warwickshire NHS Foundation Trust (RJC) : Incidents Reported 2464 (Rate per 1000 bed days 29.5) / 128 Serious Incidents (5.19%)                    |

### Assurance Statement

The Trust considers that this data is as described for the following reasons:

The Trust has strived to improve its benchmarked position by communicating the importance of incident reporting and the understanding of barriers to reporting incidents and near misses.

The Trust's overall national position is 37th out of 137 Acute non specialist Trusts based on reporting rates per 1000 bed days (41.3%). This places the Trust in the top 25% of Trusts submitting to NRLS. Last year the Trust was in the bottom 10%. The Trust is 4th out of 8 Greater Manchester Acute Trusts. Last year the Trust was the worst performing Trust in Greater Manchester. The Trust has submitted in 6 out of 6 reporting months, the first time this has been achieved.

The Trust intends to take the following actions to improve these indicators:

An area for improvement that has been identified is the number of days from the incident being reported locally to its submission to NRLS. The Trust has taken action to ensure that incidents are submitted at least weekly and most weeks on a daily basis.



## Part 3:

# Other Information

### **Part 3.1: Review of Quality Performance**

This section of the Quality Account provides information on the Trust's quality performance during 2015/16. Performance against the priorities identified in the Trust's previous quality account and performance against the relevant indicators and performance thresholds set out in Monitor's Risk Assessment Framework are outlined. The Trust has a number of initiatives which contribute to strengthening quality governance systems. An update on progress to embed these initiatives is also included in this section.

#### **Performance against priorities identified for improvement in 2015/16**

The Trust agreed a number of priorities for improvement in 2015/16 published in last year's Quality Account. These were selected following the development of the Trust's Quality Strategy in conjunction with internal and external stakeholders.

## Safe

|                                    |  |
|------------------------------------|--|
| Priority 1                         | To reduce the number of falls by 10%   |
| Where we were in 2014/15           | The Trust was consistently achieving over 98% of harm-free care in hospital measured by the safety thermometer. In 2014/15 the Trust had significantly reduced harm from falls but has agreed to focus on reduction in the number of falls. Falls is one of the harm specific focuses in the Trust's Sign Up to Safety Improvement plan. The number of falls per 1000 bed days at the end of 2014/15 was 5.8.  |
| Where we are at the end of 2015/16 | The Trust did not achieve the ambitious target to reduce falls by 10% by the end of 2015/16. However, a number of actions were commenced which the Trust hopes will contribute to a decrease in the number of falls in 2016/17. The Falls Improvement Group was established in 2015 with the specific aim of reducing the number of falls for inpatients. The group is multi-professional and has a number of work-streams reporting to it including redesign of documentation, interventions and post fall investigations, to ensure that we have gained all the learning possible from these events. The Trust utilised a secondment to the post of Falls Lead for nine months to accelerate the rate of change and to facilitate a detailed understanding of the areas of improvement needed. The Trust has also been working with NHS QUEST a network for Foundation Trusts who wish to focus on improving quality and safety as part of a 'Falls Clinical Community'. |
| Priority 2                         | To implement the medicines safety thermometer in all relevant areas  |
| Where we were in 2014/15           | The Medicine's Safety Thermometer was embedded on the 10 pilot wards. There were technical challenges with implementing the Medicine's Safety Thermometer to all relevant inpatient areas: These challenges were resolved. 'Haelo', an Innovation and Improvement Science Centre, based in Salford and owned by Salford partners, including Salford NHS Foundation Trust, led the pilot. 'Haelo' was in discussion with the Trust regarding how to integrate the Point Prevalence Medicine's Audit that is undertaken on all wards each week by pharmacy, to reduce duplication of data collection. The Point Prevalence Survey is a robust method of data collection and has been used successfully to demonstrate improvement in Medicine's Management Practice.   |
| Where we are at the end of 2015/16 | Unfortunately the option to combine the Point Prevalence Survey with the Medicines Safety Thermometer has not been possible, as this would have 'skewed' national data. The Trust was committed to rolling the Safety Thermometer out to all relevant inpatient areas; however, it has become evident that the Medicine Safety Thermometer is not being mandated nationally. The Trust has agreed to continue with the internal Point Prevalence Surveys and undertake work to further develop the process to complete them. This should be of greater benefit to the Trust.   |

|                                    |  |
|------------------------------------|--|
| Priority 3                         | To reach a Hospital Standardised Mortality Ratio (HSMR) of no more than 85 before rebasing and Summary Hospital level Mortality Indicator (SHMI) of no more than 100.  |
| Where we were in 2014/15           | The data published in the Trusts Quality Account at the end of 2014/15 demonstrated that the Trusts HSMR up to December 2014 was 96.6 and SHMI from July 2013 to June 2014 was 109.3.  |
| Where we are at the end of 2015/16 | HSMR year to February 2016 (data is three months behind) is 92.3 and within expected range when benchmarked against other organisations. The latest SHMI data is 111.45 (October 2014 - September 2015). The Trust is considered an outlier for SHMI when compared to other acute Trusts in Greater Manchester. The deaths review process continues with resulting actions and circulations. Reviews of areas of increased mortality have been completed. Further reviews will be undertaken as appropriate. Statistician support from Salford University has been sought and an initial review of mortality methodology has been completed. |

## Effective

|                                    |   |
|------------------------------------|---|
| <b>Priority 1</b>                  | <b>To undertake an investigation following all cardiac arrests from admission to event to identify areas for learning.</b>  |
| Where we were in 2014/15           | The Trust contributed to the NHS QUEST project to support the Foundation Trust in providing evidence of best practice to improve management of the deteriorating patient, improving outcomes, including Sign Up to Safety, human factors and dedicated training work streams.   |
| Where we are at the end of 2015/16 | This priority has been achieved. All cardiac arrests are investigated and the reviews form part of the weekly mortality reviews. Learning is shared with the clinicians and nursing teams relevant to where the cardiac arrests have occurred. All patients that suffer a cardiac arrest at the Royal Albert Edward Infirmary site are reported to the National Cardiac Arrest Audit database by the Resuscitation Training Officers. This is a comparative audit of 171 hospitals. A local audit of all arrests at the Trust is performed annually by the Resuscitation Training Officers. This audit is reported to the individual clinical teams for evaluation and improvement if so required.  |
| <b>Priority 2</b>                  | <b>To achieve 95% of patients weighed on admission</b>  |
| Where we were in 2014/15           | Audit data (September 2014) demonstrated that 70% of patients were being weighed on admission. Nutritional management is one of the Trust's harm specific focuses in the Sign Up to Safety Improvement Plan.  |
| Where we are at the end of 2015/16 | While this priority has not been achieved significant progress has been made during 2015/16. The nutrition and hydration improvement group was convened in June 2015 with the specific aims of improving patients' nutrition and hydration and ensuring that patients had access to nutrition and hydration appropriate to their needs. The focus has been on establishing a baseline weight for patients to ensure that patients do not suffer from any unintended weight loss. In April 2015, 93% of inpatients across the trust were weighed; this figure had slightly decreased by September 2015 to 91.5%. This was a significant improvement in comparison with 12 months previously, when 70% of patients were weighed on admission. |

|                                    |   |
|------------------------------------|---|
| <b>Priority 3</b>                  | <b>To review patient discharges that are planned to occur after 8p.m. to ensure it is safe and appropriate for the patient to be discharged</b>   |
| Where we were in 2014/15           | A proforma was introduced for completion for discharges after 9pm prior to the patients' discharge to review the following: Confirmation of agreement from patients and relatives or carers; Time confirmed for transport arrangements; Destination of patient being discharged. If 'home', confirmation of adequate provisions such as food and heating. If nursing or residential home, confirmation of acceptance after 8pm; Confirmation that the patient is adequately dressed; Confirmation that the patient has had food/drink/relevant medicines before discharge.  |
| Where we are at the end of 2015/16 | This priority has been achieved. A dedicated EPR pathway captures all discharges after 8pm from all wards and provides evidence that a safe and effective discharge has been completed for the patient, the patient's relatives/ carers and care facilities. An audit of the proforma introduced in 2014/15 has enabled a review of post-8pm discharges to be completed by the Discharge Improvement Group. A local CQUIN related to discharge will ensure that the proforma continues to be audited in 2016/17 and issues identified are addressed.  |
| <b>Priority 4</b>                  | <b>To complete 10 'Dementia Friendly' ward environments in 2015/16</b>  |
| Where we were in 2014/15           | The inclusion of a priority related to the care of patients living with Dementia was proposed at the Trust's Quality and Safety Committee and by stakeholders at an event in February 2015. To complement the Trust's Dementia Strategy, a Dementia Friendly Design Group was developed with representation from Nursing, Governors, Dementia Champions, Communications and Estates and Facilities. The Design Strategy incorporates a range of features incorporated into ward areas during annual deep clean works programme.   |
| Where we are at the end of 2015/16 | This priority has been achieved. All inpatient wards at the Royal Albert Edward Infirmary (RAEI) have been redecorated as part of the annual deep clean using the principles set out in the Trust's Dementia Strategy with predominantly white with feature walls using Trust Corporate Colours and light grey skirtings, frames and architraves. Bedside lockers have been changed to a complimentary white/ grey and all cubicle curtains have been changed to grey. New clocks, signage and contrasting toilet seats are also in the process of being installed. The Trust anticipates completing these elements of the works in the first quarter of 2016/17. The new Wroughton Phase 1 development has also been designed to incorporate the design features identified in the strategy. |

**Effective cont.**

|                                    |  |
|------------------------------------|--|
| Priority 5                         | <b>To create a comprehensive register of all of the Trust's electronic information assets with details of the name and role of the responsible individual</b>  |
| Where we were in 2014/15           | The Trust is required to submit a self-assessment against the requirements of the 'Information Governance Toolkit', an online system which enables NHS organisations and Partners to assess themselves against the Department of Health Information Governance policies and standards. One of the requirements is that 'there is an information asset register that includes all assets that comprise or hold personal data, with a clearly identified accountable individual'. The Trust had an information asset register, but it required a significant review. |
| Where we are at the end of 2015/16 | A simplified Information Asset Owner (IAO) approach has been agreed with the Director of IM&T. The Information Governance Department received a mixed response from initial IAO's approached. An update was presented to the Audit Committee in February 2016. There has been agreement to delay this project pending HIS implementation, but achieving this priority will remain a focus in 2016/17.  |

## Caring

|                                    |   |
|------------------------------------|---|
| <b>Priority 1</b>                  | <b>To be in the top 10% of Trusts for the Friends and Family Test</b>   |
| Where we were in 2014/15           | In 2014/2015 the Trust was in the top 10% of Trusts nationally being 7th out of 136 Acute Trusts (97%).   |
| Where we are at the end of 2015/16 | The Trust agreed this as a Corporate Objective for 2015/16. The Trust has achieved this priority to be in the top 10% of Trusts nationally for the Friends and Family Test (percentage recommended) being 3rd out of 139 Acute Trusts (98%) (Between April 2015 – February 2016 – full years data is not available yet)   |
| <b>Priority 2</b>                  | <b>To achieve 90% of patients reporting that they were involved as much as they wanted to be in decisions about discharge from hospital</b>   |
| Where we were in 2014/15           | During 2014/15, the Trust achieved a year-end score of 58.66% in the question 'Were you involved as much as you wanted to be in your discharge from hospital?'  |
| Where we are at the end of 2015/16 | This priority has not been achieved. During 2015/16 the Trust achieved a score of 76.67% (Jan 2016). The Trust year-end score for patients reporting that they are involved as much as they want to be in decisions about their discharge home is 63.6%. A discharge improvement event led by the Trust and Picker Institute Europe was held on the 19th November 2015. The top themes highlighted in the report following the event were resources, timings and communication. A detailed action plan has been developed and presented to the Discharge Quality Improvement Committee. New discharge wallets are being developed. A patient discharge checklist and flowchart informing patients of the discharge process are being launched. The Trust has not yet achieved a total score of 90% at year end. |

**Caring cont.**

|                                    |  |
|------------------------------------|--|
| Priority 3                         | To achieve 90% of patients reporting that they were aware of which Consultant was treating them  |
| Where we were in 2014/15           | In 2014/15 77.2% of patients responding to the real-time patient experience surveys reported that they knew which Consultant was currently treating them.  |
| Where we are at the end of 2015/16 | This priority has not been achieved. The year to date Trust score for patients reporting that they are aware of which Doctor or Consultant is treating them is 84.2%. The score has improved over the last four months following the amendment of the question to include Doctor and Consultant. Patients have responded more positively to the word 'Doctor' rather than Consultant. The Trust has not yet achieved a total score of 90% at year end. |



## Performance against the relevant indicators and performance thresholds set out in Monitor's Risk Assessment Framework

The Trust selected a number of key indicators monitored under its strategy to be safe, effective and caring for the last three years and reported to the Trust Board within the monthly performance reports. These indicators include those set out in Monitor's Risk Assessment Framework.

Monitor's Risk Assessment Framework replaced the Compliance Framework in October 2013 and sets out Monitor's approach to overseeing NHS Foundation Trusts' compliance with the governance and continuity of service requirements of the Foundation Trust licence.

## Safe

### Infection Control

| Indicator  | 2013/14 | 2014/15 | 2015/16 |
|--|---------|---------|---------|
| Clostridium <i>Difficile</i> ( <i>C.Difficile</i> )            | 32 (-6) | 25      | 12      |
| Threshold  | 25      | 32      | 19      |
| Methicillin-resistant Staphylococcus aureus (MRSA) Bacteraemia | 1       | 1       | 0       |
| Threshold  | 0       | 0       | 0       |

### *C.difficile*

The Trust's trajectory for *C.difficile* was agreed by the Department of Health at 19. It was thought that 19 would be a challenging trajectory to achieve. However, the Trust has continued to undertake individual Root Cause Analysis (RCA) reviews collaboratively with the CCG. The purpose of the individual reviews are to ascertain if any lapse/lessons in provision of care could be identified to protect other patients. The reviews of the *C.difficile* cases identified 4 Lapses in Care: 1 lack of Isolation, 1 Insufficient monitoring of Bristol stool chart, 1 prescribing antibiotic therapy outside policy, 1 cross-transmission. Each individual lapse in care was addressed with the relevant team and cross divisional learning was shared to prevent reoccurrence.

### MRSA Bacteraemia

The Trust has not had an MRSA Bacteraemia arising during inpatient care during 2015/16. At year end the Trust had had 542 MRSA free days and hopes to continue this.

Data Source: National Health Protection Agency data collection, as governed by standard national definitions.

#### Key

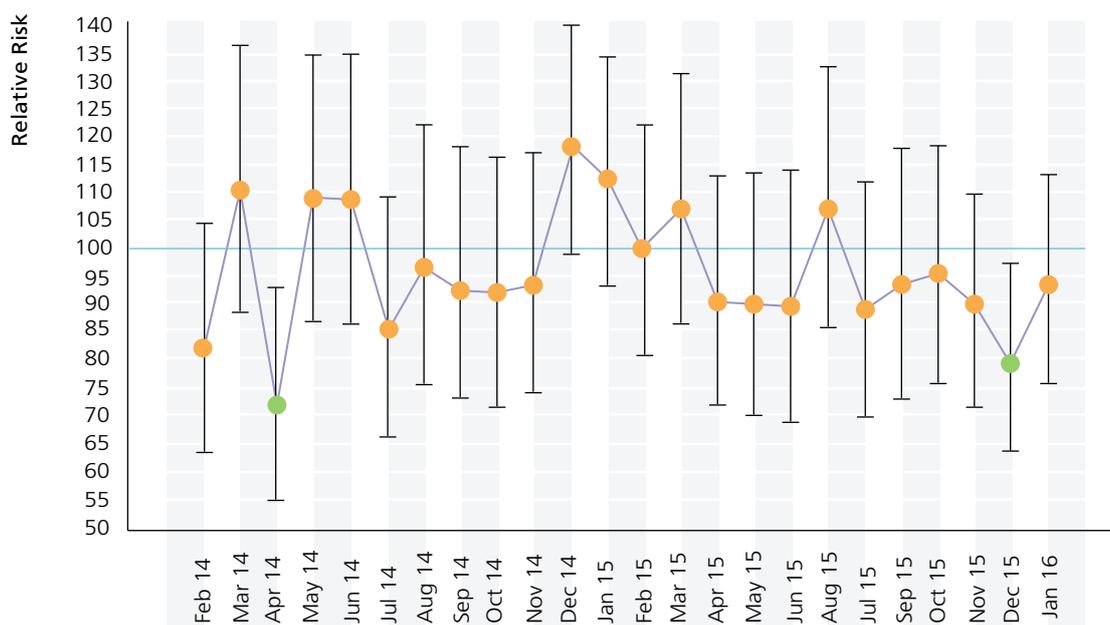
- Performing on or above target
- Performing below trajectory; robust recovery plan required
- Failed target or significant risk of failure

- ▲ Improved position
- ▼ Worsening position
- ◆ Steady position

## Hospital Standardised Mortality Ratios (HSMR)

Hospital Standardised Mortality Ratios (HSMR) is a statistical way of comparing mortality ratios between hospitals. In order to compare hospitals in different areas with different populations and varying speciality work, the methodology looks at how many people are expected to die in hospital due to their condition and then compares this figure against how many people actually die.

Data Source: Dr Foster Intelligence sourced from national commissioning datasets as governed by standard national definitions.



- High relative risk
- Low relative risk
- Expected range

- National benchmark
- I Confidence Intervals

### Safe cont.

#### Never Event

| Indicator                                    | 2013/14 | 2014/15 | 2015/16 |
|--|---------|---------|---------|
| Number of Incidents Reported as Never Events | 2       | 6       | 0       |
| Threshold                                    | 0       | 0       | 0       |

The Trust has not had an incident meeting the 'Never Event' criteria outlined in the Never Events Policy and Framework (NHS England, March 2015) since March 2015.

Data Source: Datix Risk Management System. 'Never Events' are governed by standard national definitions.

#### Human Resources

| Indicator          | 2013/14 | 2014/15 | 2015/16 |
|--------------------|---------|---------|---------|
| Temporary Staffing | A       | B       | C       |
| Threshold          | N/A     | N/A     | N/A     |

A - £12,300,719

B - £14,178,009

C - £14,626,255

Spend on Temporary Staffing year to date (April 2015 to March 2016) is £14,626k and in month spend has increased slightly from £1,281k in February 2016 to £1,322k in March 2016.

Agency spend continues to be a hot spot and in Month 12 this accounts for £717k (54%) of spend and the second highest area is NHS Professionals (NHSP) at £261k (20%) of spend. NHSP recruits and supplies temporary nurses. We use framework agencies, which ensure the best possible value for money, for all other agency workers. The main challenges in relation to temporary staffing expenditure relate to hard to fill posts, aligned to national trends. This is most notable for medical staff in Emergency Medicine, Elderly Medicine, Dermatology and Urology and in nursing areas, the main challenges are for RSCN paediatric nurses and theatre staff.

Temporary spend continues to be a key focus for the Trust and various strategies are being deployed to support the management of temporary spend. These strategies include but are not limited to the implementation of Agency price caps (with a limited number of interim exception areas), participation in the Agency Partnership programme and the development of additional measures to recruit and retain skilled staff within the workforce.

Data source: Trust Oracle Ledger

#### Key

- Performing on or above target
- Performing below trajectory; robust recovery plan required
- Failed target or significant risk of failure
- ▲ Improved position
- ▼ Worsening position
- ◆ Steady position

## Effective

### A&E

| Indicator                            | 2013/14 | 2014/15 | 2015/16 |
|--------------------------------------|---------|---------|---------|
| Total time in A&E:<br>Less than 4hrs | 95.68%  | 94.7%   | 95.08%  |
| Threshold -<br>Monitor               | 95%     | 95%     | 95%     |

The data above represents the Trust position as at the year end.

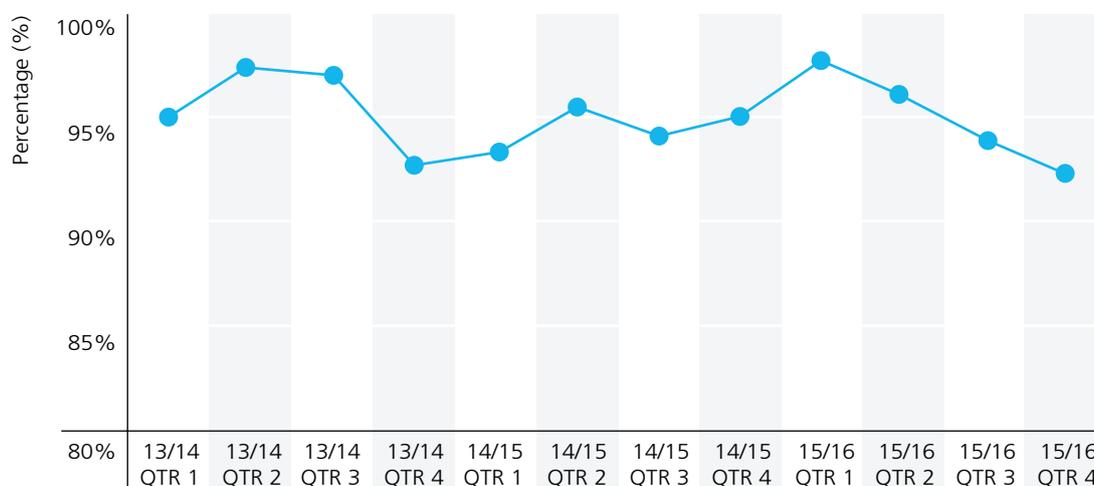
The Trust performed remarkably well during the first quarter of the year, achieving the 4 hour standard every month and ended Quarter 1 on 97.73%. This was the best result in Greater Manchester. Quarter 2 was also achieved, with the Trust achieving 96.31%, as August was below the standard, at 94.07%. The Trust was again the highest performing Trust in Greater Manchester in Quarter 2. October was the only month in Quarter 3 when the Trust achieved the 4 hour standard and as a consequence failed Quarter 3, achieving 93.64%. This

was still the best performance in Greater Manchester and for the 9 months to 31st December 2015 the Trust was the 7th best performer nationally.

The Trust achieved 92.38% in Quarter 4 but achieved above 95% for the year ended 31st March 2016. The Trust was the only Trust in Greater Manchester to achieve the 95% standard overall with an annual figure of 95.08%. We were also the only acute Trust in the whole of the North of England to achieve this.

Data Source: Management Systems Services (MSS) System, as governed by national standard definitions

### A&E Attendances seen within 4 hours



**Effective cont.**

**Cancer Waits**

| Indicator  | 2013/14 | 2014/15 | 2015/16 |
|--|---------|---------|---------|
| Cancer 62-Day Waits for first treatment - from urgent GP referral                    |         |         |         |
| After repatriation   | 90.33%  | 91.25%  | 88.85%  |
| Before repatriation  | 91.75%  | 92.13%  | 91.3%   |
| Threshold  | 85%     | 85%     | 85%     |
| Cancer 62-Day Waits for first treatment - from NHS Cancer Screening Service Referral |         |         |         |
| After repatriation   | 99.46%  | 99.54%  | 97.25%  |
| Before repatriation  | 99.20%  | 99.54%  | 97.01%  |
| Threshold  | 90%     | 90%     | 90%     |
| Cancer 31-Day Wait for second or subsequent treatment – surgery                      | 100%    | 100%    | 100%    |
| Threshold  | 94%     | 94%     | 94%     |

| Indicator   | 2013/14 | 2014/15 | 2015/16 |
|---|---------|---------|---------|
| Cancer 31-Day Wait for second or subsequent treatment – drug treatments | 99.68%  | 100%    | 100%    |
| Threshold   | 98%     | 98%     | 98%     |
| Cancer 31-Day Wait from diagnosis to treatment                          | 99.70%  | 99.03%  | 99.08%  |
| Threshold   | 96%     | 96%     | 96%     |
| Cancer 2-week – all cancers   | 98.66%  | 98.28%  | 98.14%  |
| Threshold   | 93%     | 93%     | 93%     |
| Cancer 2-week – breast symptoms   | 96.44%  | 95.66%  | 96.67%  |
| Threshold   | 93%     | 93%     | 93%     |

“After repatriation” are Greater Manchester agreed figures. “Before repatriation” are nationally reported figures. Greater Manchester has an integrated cancer system. A breach re-allocation policy has been agreed by all Trusts. When a breach has occurred and the pathway has involved more than one Trust, rather than sharing the breach, the whole breach can be re-allocated to one Trust if the agreed timescales for transfer or treatment have not been met.

The Trust has continued to achieve all performance indicators for cancer care for 2015/16 despite being a very challenging year for Cancer Services nationally. During 2015 NHS England set up a tripartite to tackle the decrease in performance against the 62-day target from referral to treatment at national level. Trusts are now required to report performance against the 62 day standard on each cancer site, e.g. breast, lung, colorectal etc. Since September 2015 we have reported this data in the Trust’s monthly published Performance Report. We have implemented improvement plans for those cancer sites that have struggled to achieve the 85% target, mainly due to the complexity of the disease, and we hope to see improvements as we go into 2016/17. The Trust continues to work closely with partner organisations in Greater Manchester and the Manchester Cancer Pathway Boards to further enhance the transition for patients being treated at specialist centres and is working collaboratively to improve the patient experience.

Data Source: National Open Exeter System, as governed by standard national definitions.

#### Key

- 
- Performing on or above target
  - Performing below trajectory; robust recovery plan required
  - Failed target or significant risk of failure
  - ▲ Improved position
  - ▼ Worsening position
  - ◆ Steady position

### Effective cont.

#### Referral to Treatment (RTT)

| Indicator   | 2013/14 | 2014/15 | 2015/16                      |
|---|---------|---------|------------------------------|
| Referral to treatment time, 18 weeks in aggregate, admitted patients      | 91.37%  | 92.7%   | Q1-Q2 93.3%<br>Q3-Q4 91.4%** |
| Threshold   | 90%     | 90%     | 90%                          |
| Referral to treatment time, 18 weeks in aggregate, non-admitted patients. | 97.71%  | 98.0%   | 98.3%                        |
| Threshold   | 95%     | 95%     | 95%                          |
| Referral to treatment time, 18 weeks in aggregate, incomplete pathways    | 94.21%  | 97.1%   | 96.9%                        |
| Threshold   | 92%     | 92%     | 92%                          |

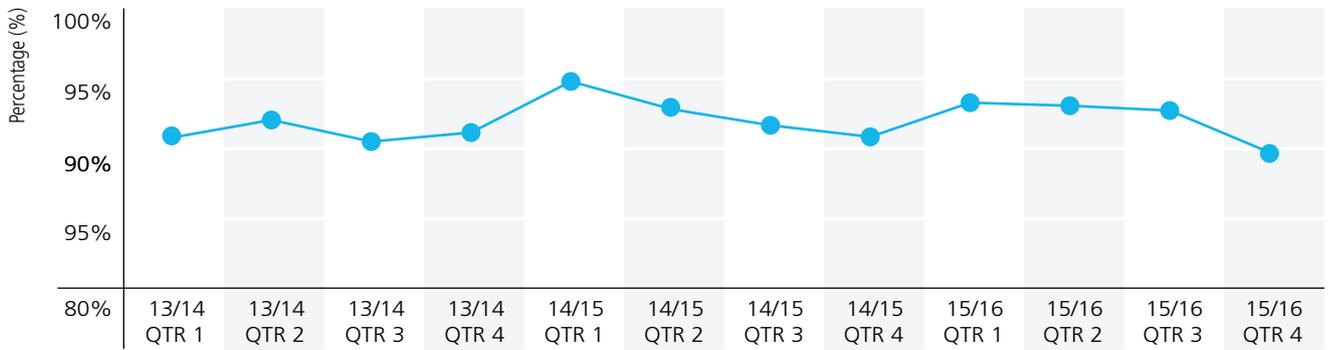
The Referral to Treatment (RTT) targets are the minimum standards Trusts are expected to provide for patients referred to the Trust on an 18-week pathway. There are five specific specialities experiencing either an increase in referrals or a reduction in capacity. These specialities are monitored closely on a performance dashboard and by operational groups. Overall, WWL continues to exceed national standards.  
 \*\* Q1-Q2 adjusted position, Q3-Q4 unadjusted position due to definitional changes with effect from 1st October 2015

Data Source: Patient Administration System (PAS), as governed by standard national definitions.

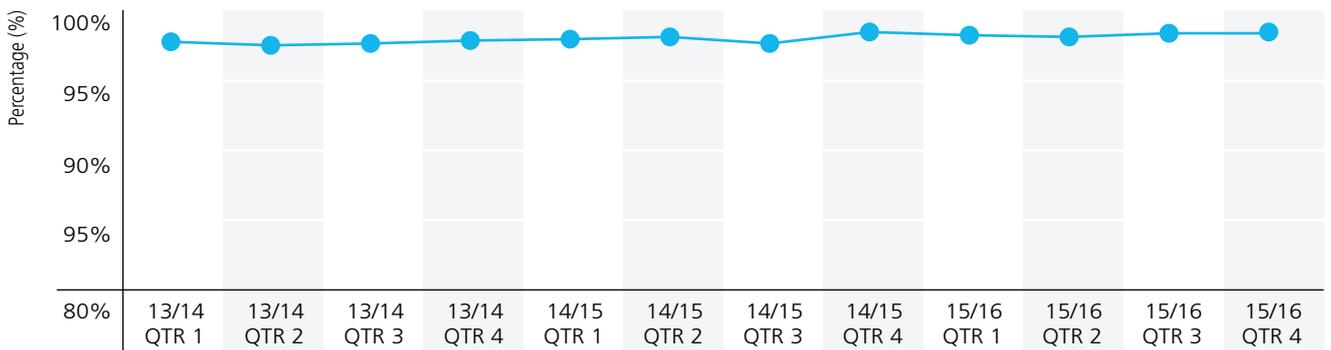
Key

- Performing on or above target
- Performing below trajectory; robust recovery plan required
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- ▲ Improved position
- ▼ Worsening position
- ◆ Steady position

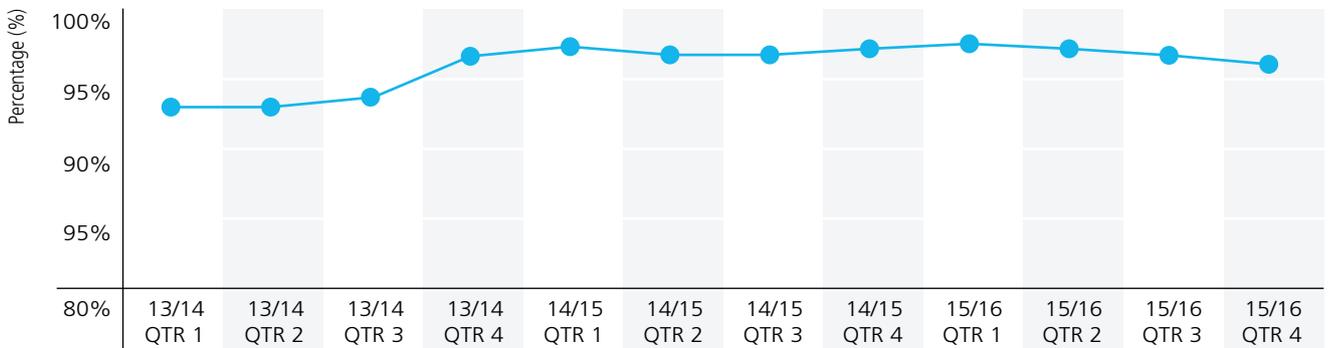
### Admitted



### Non Admitted



### Incomplete



**Effective cont.**

**Access to Healthcare for People with a Learning Disability**

| Indicator   | 2013/14  | 2014/15  | 2015/16  |
|---|----------|----------|----------|
| Compliance with requirements regarding access to healthcare for people with a learning difficulty | Achieved | Achieved | Achieved |

Accessible information is available for patients with learning disabilities, their family and carers, around treatment options; complaints procedures, appointments, all of the above are available on a bespoke patient need; we also use the national documentation available eg, MacMillan: Breast Screening, Bowel Screening. The Trust continues to work in partnership with the Hospital Liaison Nurse to ensure any reasonable adjustments required are in place. Learning Disability awareness is included in Trust induction of which all new staff to the organisation attend, and is delivered in partnership with the hospital LD Liaison Team and the Trust Safeguarding Team. In addition, bespoke awareness training continues to be delivered to key staff e.g. Reception Staff in outpatients departments.

**Community Care**

| Indicator   | 2013/14 | 2014/15 | 2015/16 |
|---|---------|---------|---------|
| Community care – referral to treatment information completeness | 66.68%  | 66.69%  | 67.1%   |
| Threshold   | 50%     | 50%     | 50%     |
| Community care–referral information completeness                | 93.06%  | 95.57%  | 95.1%   |
| Threshold   | 50%     | 50%     | 50%     |
| Community care – activity information completeness              | 99.07%  | 97.91%  | 97.8%   |
| Threshold   | 50%     | 50%     | 50%     |

The data above represents the Trust's year end position. The Trust has continued to consistently perform above the threshold for these indicators for the past three years.

Data Source: Electronic Patient Record (EPR) system, as governed by standard national definitions.

**Key**

- Performing on or above target
- Performing below trajectory; robust recovery plan required
- Failed target or significant risk of failure
- ▲ Improved position
- ▼ Worsening position
- ◆ Steady position

## Financial Sustainability Risk Rating (FSRR)

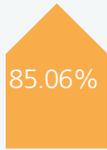
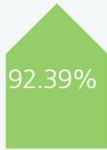
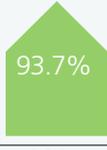
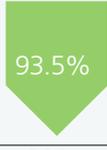
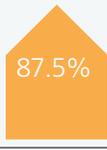
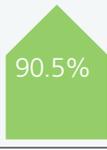
| Indicator                                   | 2013/14  | 2014/15  | 2015/16 |
|---|--|--|---------|
| Financial Risk Rating (FRR)                 |   |   | N/A     |
| Threshold                                   | 3  | 3  | 3       |
| Continuity of Services Risk Rating (CSR)    |  |  | N/A     |
| Financial Sustainability Risk Rating (FSRR) | N/A  | N/A  | 1       |

Monitor exercises a range of powers granted by Parliament which include setting and enforcing a framework of rules which is implemented, in part, through issuing licences to NHS-funded providers. This licence stipulates the specific conditions that the NHS provider must meet to continue to operate including those in respect of the continuity of services ratio. The purpose of this measure is to identify any significant risks to the financial sustainability of the Foundation Trust which would endanger the delivery of key services.

Data source: Figures from the Trust Oracle General Ledger, subject to Monitors calculation methodology as governed by standard national definitions.

## Caring

### Selected Real Time Feedback Indicators

| Indicator  | 2013/14   | 2014/15   | 2015/16   |
|--|---|---|---|
| Feedback scores – Real Time Patient Survey                     |    |    |    |
| Threshold  | 90%   | 90%   | 90%   |
| Feedback scores – Real Time Patient Survey – Pain Control      |   |   |   |
| Threshold  | 90%   | 90%   | 90%   |
| Feedback scores – Real Time Patient Survey – Worries and Fears |  |  |  |
| Threshold  | 90%   | 90%   | 90%   |

● As at March 2016

During 2015/16 the average score for the Real Time Survey is 92.49% (as at March 2016) which has shown a slight increase on the average score for 2014/15.

There has been slight increase in the pain control question during 2015/16. This is due to having maintained training for staff in pain control.

There has been slight improvement in the score for the Worries and Fears question. The Trust continues to maintain the hourly rounding on the wards.

Data Source: Real Time Patient Experience Surveys as at March 2016.

## Complaints, Patient Advice and Liaison Service and the Ombudsman

Patient Relations and Patient Advice and Liaison Service (PALS) is dedicated to enhancing the patient, carer and relative's experience. The Trust welcomes complaints and concerns to ensure that continuous improvement to Trust services take place and to improve experience through lessons learned.

The department continues to work closely with the Divisions to promote a positive patient experience and to actively encourage a speedy response to concerns that are received through the different media, including letter, e-mail, telephone or personal caller through the PALS element of the department, providing resolution in real time.

All complaints and concerns are shared at the Trust's Executive Scrutiny Committee which is held on a weekly basis. The more complex and serious complaints are reviewed and discussed in detail. These meetings also provide the opportunity to triangulate information with incidents, possible claims and inquests.

Statistical information in respect of complaints and concerns is collected and monitored to identify trends. The Trust continues to share its statistical information from formal complaints nationally named (KO41a), now required on a quarterly basis.

The Trust views the receipt of complaints positively to learn and reflect on the work undertaken and to make the appropriate improvements. The following outlines actions taken and lessons learned from a sample of complaints received.

| Complaint  | Actions Taken and Lessons Learned   |
|--|---|
| <p><b>Communication</b></p> <p>Staff were unaware of a patient's arrival in the department and therefore the patient was left waiting in the cold and wearing only a gown.</p> | <p>All staff to check the reception area if there is any indication that the patient may not have attended. All staff have been individually contacted by e-mail as a reminder of this and this issue has also been discussed at the daily com cell for the department.</p> |
| <p><b>Medication Error</b></p> <p>Patient received medication that was not compliant with the current medication which led to the patient having a setback in treatment.</p>   | <p>This complaint has been discussed with the Doctor concerned who has reflected on the error. The doctor has provided a statement to the Consultant in charge of care.</p>   |
| <p><b>Equipment Failure</b></p> <p>Patient fell from the operating chair.</p>  | <p>Patients are supervised when being seated on the operating chair. Staff to attend formal teaching sessions regarding seating positions. A standard operating procedure is in development and poster communication will be displayed in the Anaesthetic room.</p>         |
| <p><b>Aspects of clinical care</b></p> <p>There was a delay in biopsy results being provided for treatment plan to commence.</p>   | <p>The Cellular Pathology Department are to review their processes for the tracking of samples.</p>   |

| Complaint  | Actions Taken and Lessons Learned   |
|--|---|
| <b>Attitude of staff</b>   |   |
| Review of the complaints received regarding attitude.  | Individual members of staff have been interviewed on their attitude and approach when communicating. Staff have also been provided with information and recommendations to attend the various Trust training programmes, including enhanced communication awareness sessions. |
| <b>Admissions</b>  |   |
| Complex Orthopaedic patients enduring delays in receiving a date to undergo their procedures at the RAEI site. | The Divisions of Specialist Services and Surgery are working together to ensure that these patients are not disadvantaged due to their complex needs.   |

### Improvement Plans as a result of complaints referred to the Parliamentary Health Service Ombudsman

The role of the Parliamentary and Health Services Ombudsman (PHSO) is to provide a service to the public by undertaking independent investigations into complaints that government departments, a range of other public bodies in the UK, and the NHS in England, have not acted properly or fairly or have provided a poor service.

The aim of the PHSO is to provide an independent high quality complaint handling service that rights individual wrongs, drives improvement in public service and informs public policy.

During 2015/16 the PHSO requested information regarding 13 complaints. 2 were partially upheld; 2 were not upheld; 1 is in draft form at present; 6 have investigations underway and 2 are requests for records at the time of writing. These cases relate to (years) 2013/14/15.

The Trust is currently monitoring 1 Action Plan.

## Patient Experience

The Trust has continued to achieve excellent scores for cleanliness throughout the hospital, placing us in the top 20% of all Trusts in this area of assessment in the National Inpatient surveys 2014/15.

The Patient and Public Engagement Team continues to obtain feedback from inpatients using the Real Time Patient Experience Survey. The surveys are undertaken by our hospital volunteers and Governors. The results are presented to the Board every month to monitor the corporate objective of over 90% of a positive patient experience. As a result of this monitoring, significant improvement has been identified in patients being involved as much as they have wished in decisions about their care and treatment. Results of the outcome of the real times surveys can be viewed in the patient engagement section of the Trust's annual report.

## Patient and Public Engagement

Patients, Carers and Governors attended an event to assist with redesigning of Outpatient Services. They spoke about their experiences, drawing out the positive and the negative elements of their care, with a view to bringing about changes that will lead to the establishment of a gold standard patient experience. Initiatives implemented in response to feedback include improved Shared Decision Making across all sites. This will ensure that patients are involved in decisions about their care and treatment with more information and awareness on the patient pages available for patients and relatives.

The Trust held a Discharge Improvement Workshop in partnership with Picker Institute Europe for patients and staff. Patients and staff spoke about their experiences and set short, long and medium term goals for improvement. Initiatives implemented in response to the feedback are a discharge wallet, a patient discharge checklist and a ward based pharmacy discharge service.

A patient and public engagement campaign on Shared Decision Making 'Ask 3 Questions' was very successful, engaging with over 180,000 patients, public and staff through various touch points. The campaign informed and empowered patients to be involved in decisions about their care and treatment.

The Trust also values the contribution of lay representatives who attend the Divisional Quality Executive Committees, Quality Champion Committee, Discharge Improvement Committee, Children's Clinical Cabinet and Patient Led Assessments of the Care Environment (PLACE), to provide the patients' perspective.

The Trust has a Patient and Public Engagement Committee whose remit is to ensure that patient and public engagement remains integral to the Trust. The Committee is chaired by the Lead Governor with representation from Governors and key local stakeholder agencies.

In addition to continuing with all the initiatives and activities described, achieving a positive patient experience remains a key priority for the Trust. The Trust will continue the engagement campaign on Shared Decision Making 'Ask 3 Questions'. This will inform and empower patients to be involved in decision about their care and treatment.

Healthwatch undertook announced visits. The visits to the Royal Albert Edward Infirmary were announced and planned over a two week period. They were prompted by recent press and television coverage of the success the Trust was having, not only in winning awards, both nationally and regionally, but also achieving the Accident and Emergency standard of less than 4 hour waiting times, more than any other hospital in the Northwest. Healthwatch Wigan, whilst feeling very proud of its local Trust, wondered what WWL were doing differently to other Trusts and maybe more importantly what had the Trust done in the past few years to bring about such a dramatic improvement in the standard of care being delivered. The Enter and View team agreed that they would like to make several visits to RAEI to view not only the Emergency Care Unit but also the discharge procedures and facilities. Some initiatives implemented following the visit were: individual place mats ordered for inpatients depicting staff uniforms, continuing to promote the Always Events and also ward-based Pharmacists on assessment units.

The CCG, Healthwatch, local voluntary groups such as Think Ahead, and the Local Authority worked in partnership with the Trust and Picker Institute Europe on improving discharge.

A Cancer Services Awareness Raising event on prevention and detection of cancer also took place in partnership with the Local Authority Public Health and Healthwatch.



## Part 3.2:

### Quality Initiatives

The Trust has introduced a number of initiatives to strengthen quality governance systems and improve the care, treatment and support provided to patients across the organisation. A summary of progress during 2015/16 is outlined opposite.

## Staff Engagement the WWL Way

NHS England has requested that Trusts highlight the results of two indicators in the 2015 National Staff Survey which are as follows:

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### Key Finding 26 (percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months):

21% of staff reported experiencing harassment, bullying or abuse from staff in last 12 months. There was a 4% increase in this score since 2014, but this was not statistically significant. WWL scored significantly better than the national average of 26%. The Trust plans to continue its work on supporting staff with safe avenues to raise concerns via the revised Raising Concerns policy and the new Freedom to Speak Up Guardian.

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### Key Finding 21 (percentage of staff believing that the Trust provides equal opportunities for career progression or promotion):

91% of staff reported believing that the organisation provides equal opportunities for career progression or promotion. There was a 2% decrease in this score since 2014, but this was not statistically significant. WWL scored significantly better than the national average of 87%. WWL will launch its new talent management programme in 2016, which will provide all staff with the equal opportunities to find their own developmental career progression route within the organisation.

At Trust wide level, WWL has significantly improved on a number of engagement measures over the last 12 months, including improved staff recognition, as a result of the successful "Going the Extra Mile" staff recognition scheme. We have continued to sustain the position of being in the top 10% of NHS Trusts for staff recommending us as a place to work and are viewed as forward thinkers for staff engagement within the NHS. As a result the Trust is sharing their in-house developed staff engagement pathway model with external organisations, under the label "Go Engage," which includes a licence to an online platform that surveys staff and statistically analyses data for trends and hot spots. This is providing even more organisations with a measurable framework to rapidly and continually diagnose and understand the cause and effect of staff engagement.

This year we have continued to engage staff at local levels within their teams, through our staff engagement

'Pioneer Teams' programme. Forty teams have been through the programme which features a comprehensive staff engagement diagnostic survey and a staff engagement toolkit. Teams that have taken part on the programme have, on average, made a 7% improvement in their staff engagement scores, with some improving as much as 25%.

We have acted upon pulse survey data associated with staff energy levels by taking a pro-active approach with staff health and wellbeing, in order to create a positive and healthy working environment. We have continued to offer resilience training to staff and, for the first time trained our new foundation doctors to support them with the challenges of their new role. We continue to take a pro-active approach by centring on prevention and the reduction of sickness absence. This has included onsite therapies and massage for staff during winter pressures and the recruitment of a Mindfulness Practitioner.

We will continue to build on our work by actively sustaining positive staff engagement, and importantly, focusing on staff health and wellbeing. We believe that continuing with this approach will be beneficial for our staff's future health, and that these measures will contribute to a reduction in sickness absence, reduced agency costs, and improve the quality of care provided to our patients.

## Continued Recruitment and Development of the Quality Faculty

The Trust's Quality Faculty has continued to grow during 2015/16 and there are now approximately 320 Quality Champions representing a wide range of disciplines and departments, working on approximately 103 improvement projects.

All Quality Champions who complete the training programme and commence an improvement project are awarded a bronze badge. Silver and gold badges are awarded to those Champions who sustain their improvements and disseminate them to other organisations. In 2015, 20 silver and 4 gold awards were awarded.

Three courses of training in quality improvement methods have been delivered during 2015/16 and approximately 80 Quality Champions have attended these. Several other NHS organisations have shown interest in The Quality Champions' programme including University of Morecambe Bay NHS Foundation Trust and The Royal Free Hospital. The Heart of England NHS Foundation Trust have taken the programme in its entirety and have been coached and supported to deliver it within

their own organisation. They have recently had their first successful graduates from the programme.

During 2015/16 we have begun to involve other disciplines in the programme including the Programme Management Office, Clinical Audit Team and Finance. By involving these departments it will allow the participants a wider palette of methodologies to choose from and provide robust data and evidence for their improvement projects. Finance will provide the evidence for financial gain as well as an improvement in the quality and safety of care.

Plans are in place to continue to sustain and build the Quality Faculty in 2016/17 by offering a broader range of training programmes with the aim of involving more junior staff, particularly junior doctors. Junior doctor involvement has always been difficult due to the time commitment and we are looking to utilise a mentor system whereby we pair a junior doctor with a Consultant to provide support to them.

## Implementing Recommendations from the Francis Report

Throughout 2012 and 2013 a series of reports were published following findings of reviews undertaken in response to serious lapses in care resulting in significant harm to patients and reputational damage to individual hospitals and NHS Trusts. The reports raised significant concerns relating to the voice of the patient and carers, organisational cultures, patient safety and care and compassion and also highlighted the requirement for fundamental change in the oversight, scrutiny and accountability across providers and regulators of care.

The Trust's Quality and Safety Committee received an update during 2015/16 in relation to the Trust's self-assessment of compliance with the Francis, Berwick and Keogh reports. This was subsequently considered by the Trust Board and published on the Trust's website. The report provided Significant Assurance of progress with the themes identified.

## Leadership Quality and Safety Rounds

During 2015/16 six leadership safety rounds took place. Executive and Non-Executive members of the Trust Board and Trust Governors visited wards and departments and held conversations with groups of staff about patient safety using an "appreciative inquiry" approach. Areas visited included, Standish Ward, Medical Assessment Unit and Rainbow Ward at the Royal Albert Edward

Infirmery, the Endoscopy Unit and Wards 2 and 3 at Leigh Infirmery and Ward 5 at Wrightington Hospital. 26 staff participated in the visits in total. In all, 29 safety rounds have taken place using this approach since 2012, involving many different disciplines across four Trust sites. A training programme for Governors, Non Executive Directors and Executive Directors has been developed and delivered. During 2016/17 a further 12 visits are planned.

## Internal Compliance Review

Since December 2013 the Trust has undertaken twice-yearly internal inspections, the most recent occurring in June 2015. These inspections have occurred at RAEI, Wrightington Hospital, Leigh Infirmery and the Thomas Linacre Centre. They have evolved over time and involve an extensive and enthusiastic team of inspectors representing a wide spectrum of staff groups within the organisation. The June 2015 inspection was the largest since the inspections began. The CCG has participated in every inspection.

The June 2015 inspection took place on a Friday and Saturday and focused upon Care at the Weekends, Surgical Pathways, Consent, Do Not Attempt Cardiopulmonary Resuscitation (DNACPR), Deprivation of Liberty Safeguards (DoLS), Patient Information, Staff Satisfaction, Confidentiality and Communication of Information. The Trust was delighted to be joined by Morecambe Bay University Hospitals NHS Foundation Trust to provide input from another NHS Trust.

Following the June 2015 Inspection a comprehensive improvement plan has been developed to address the '10 things to improve' and other elements highlighted in the inspection report. This plan was approved at the Quality and Safety Committee in October 2015 with updates presented thereafter.

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### 10 things to celebrate

- 1 Consent
- 2 Comms Cells (Person to person communication)
- 3 Happy Staff
- 4 Happy Patients
- 5 Well supported Staff
- 6 Positive relationships with seniors

- 7 DNACPR communication
- 8 Staff feel empowered to challenge
- 9 Band 2 and FY1 understanding DoLS
- 10 EPR Doctor at weekends

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### 10 things to improve

- 1 Management and training of DoLS
- 2 Mental Capacity Act training
- 3 Surgical outliers and flow
- 4 Surgeon responsiveness
- 5 Slow discharge at weekends
- 6 Corporate communication (5 point communication files) and visibility of Executive Directors
- 7 Communication between theatre and ward teams
- 8 Patient information
- 9 DNACPR documentation
- 10 Drug management for surgical admissions

### Compliance Self Assessments

Additionally, we implemented a way of reviewing compliance with the CQC's Key Lines of Enquiry (KLOE) at ward and departmental level. There was a real opportunity to delve much deeper into the actual wards and departments and to ask the key individuals in those teams to provide self-assessments of their own areas. The assessments were then signed off by Sponsors. We aimed the assessments at highlighting any areas for improvement and capturing actions required to improve compliance, as well as highlighting areas which were good and outstanding.

Our CQC Assure system was set up with an "accountability owner" for each ward/department who was responsible for the self-assessment of the ward/department against the Key Lines of Enquiry.

The individual KLOE ratings given by each ward and department were aggregated into ward, department, divisional and trust-wide compliance tables and can be

displayed in various dashboards and reports.

Within an 8-12 week period, our staff completed 71 sets of clinical review, which comprised of the 5 KLOE, totalling an impressive 355 self-assessments.

#### How have we done it?

The self-assessments undertaken by ward and departmental managers were linked within the system to the appropriate directorates, divisions, hospital sites and eight core services. The self-assessments required the key staff to make the same judgements used by the CQC in relation to individual areas. Staff found the system quite intuitive and, in the main, only required short, group training sessions within which they were provided with a hand-out with screenshots. We experienced really great buy-in from our staff, including ward and departmental Managers, Matrons, Governance colleagues, Heads of Nursing and Executives.

How has it improved the safety of our patients?

Francis, Keogh and Berwick reviews illustrated the need for strong patient-focused leadership and accurate and useful information, and the need for leaders to fully understand improvements which can be made to patient safety, engage and empower our staff to develop and grow through their ability, through providing opportunities, to make improvements to systems and processes within their working practice and environment.

The ward and departmental self-assessments helped us with this and enabled a wide range of staff to consider and self-assess their areas against the KLOE in advance of the CQC Inspection. This provided invaluable preparation, organisational insight and a mechanism to capture actions identified to improve areas, as necessary or appropriate. We were also able to recognise the many areas of outstanding and good compliance across the organisation.

### Always Events

The Always Events are the Trust's commitment to improving the delivery of patient and family centred care. The first 10 Always Events were launched in January 2014.

The Always Events are embedded within our Safe, Effective, Caring culture. The regular weekly snap shot audits and the quarterly whole hospital site audits have continued to demonstrate stability and improvement.

As a result of feedback from our most recent Picker Survey we have introduced 10 new "Good Night" Always Events which will address the noise at night issues identified by the survey. These too are now audited weekly and there has already been a steady improvement.

Always Events work for our staff, they know why we have them and what they mean. They have proved to be a great tool for contributing towards safe, effective care.

## The HELPLine

HELPLine continues to be offered to current inpatients and their families as a way of escalating and addressing concerns that they feel are not being appropriately addressed at ward level. HELPLine provides direct access to the Matron on call or Site Co-ordinators; it is not intended as a way to bypass communication with ward staff, but rather to supplement it. Since March 2015 HELPLine has received 53 calls in total. Work is currently underway with the PALs department to be able to collate themes and trends of calls received and therefore further improve services offered to patients.

## Commissioner Quality Visits

NHS Wigan Borough Clinical Commissioning Group (CCG) has undertaken two unannounced Commissioner Quality Visits in 2015/16 to determine the experiences and views of the patients, relatives, carers and staff on the services provided on Taylor Ward, Leigh Infirmary in August 2015 and Maternity Services, Royal Albert Edward Infirmary in November 2015.

The Commissioner's reports following their visits are reviewed by the Trust's Quality and Safety Committee. Agreed actions are monitored by Commissioners at the Joint Quality Safety and Safeguarding Committee attended by representatives from the Trust and the CCG.

The Trust welcomes the unannounced visits by the CCG and the collaborative approach taken by the CCG to improve patient and staff experience.

## TalkSafe

TalkSafe is a programme that is focused on changing the safety culture of an organisation through structured conversations. TalkSafe has a 20 year proven history within the aviation, chemical engineering and engineering sectors.

Conversations focus on safety, both safe and unsafe practice, and the potential consequences of these actions. TalkSafe uses a coaching style focused on behaviour, actions and consequences. It is designed to act at the level prior to incidents or near misses, and focuses on organisational and system factors in addition to individual

behaviours. The programme is a gateway to human factors and is focused at all levels of staff.

TalkSafe was introduced into WWL in October 2014. MAU and Lowton Wards were chosen as the pilot areas. The programme has trained over 80 staff in awareness and 32 TalkSafe champions,

A number of resources have been developed to support champions in their roles, including technology solutions as well as one to one support for champions.

There is evidence on MAU and Lowton that the safety culture is changing and that there is a reduction in moderate/severe harm incidents and an increase in no/low harm incidents, indicative of a more mature safety culture.

The programme has taken off in places that were not included in the pilot areas: Pharmacy, the Critical Care Outreach Team and various specialist nurses and other staff groups. The movement is towards a social movement as people are now approaching me asking if they can be a champion or if their area can be the next development area.

Maternity and Theatres at RAEI and Wrightington are the next areas that are undertaking the programme. Pharmacy has trained the majority of its staff to become champions. These programmes will look different than those on MAU and Lowton Ward as the resources are now developed and there has been much more preparatory work to provide a good foundation from which to work to being proactive rather than reactive. Champions aware of the commitment as a role description outlining the commitment required has been developed by the champions themselves. An awareness podcast has been developed to replace the awareness training allowing more time to focus the champions' training.



## Appendix A

National Clinical Audits and National Confidential Enquiries

| National Confidential Enquiry into Patient Outcome and Death (NCEPOD) | Eligible to participate Y/N | Participated | Number eligible   | Actual submissions         |
|---|-----------------------------|--------------|---|----------------------------|
| Acute pancreatitis  | Yes                         | Yes          | 5   | 80%                        |
| Sepsis  | Yes                         | Yes          | 4   | 75%                        |
| Mental Health in General Hospitals                                    | Yes                         | Yes          | 2   | 40%                        |
| Gastrointestinal haemorrhage  | Yes                         | Yes          | 6   | 50%                        |
| National Audits (NCAPOP – n =)  | Eligible to participate Y/N | Participated | Number eligible   | Actual submissions %       |
| Acute coronary syndrome (MINAP)                                       | Yes                         | Yes          | 10  | 100%                       |
| Cardiac rhythm management (CRM)                                       | Yes                         | Yes          | Data submission deadline 30/06/16                               |                            |
| Coronary angioplasty/PCI  | Yes                         | Yes          | Data submission deadline 01/06/16                               |                            |
| Bowel Cancer  | Yes                         | Yes          | All Cancer audits reported by Oncology Department Services      |                            |
| Head & neck cancer  | Yes                         | Yes          |   |                            |
| Lung cancer   | Yes                         | Yes          |   |                            |
| National prostate cancer  | Yes                         | Yes          |   |                            |
| Oesophago-gastric cancer (NAOGC)                                      | Yes                         | Yes          |   |                            |
| Child health clinical outcome programme                               | Yes                         | Yes          | Data Collection Feb/March 2016                                  |                            |
| Diabetes (Adult) (NADIA)  | Yes                         | Yes          | 61  | 100%                       |
| Diabetes (Paediatric) NPDA  | Yes                         | Yes          | Data collection until end March 2016                            |                            |
| Falls & Fragility Fractures (FFAP)                                    | Yes                         | Yes          | 30  | 100%                       |
| Inflammatory bowel disease (IBD)                                      | Yes                         | No           | Awaiting database for data collection                           |                            |
| Maternal, newborn & infant clinical outcome programme (MBRRACE)       | Yes                         | Yes          | 15  | 100%                       |
| National emergency laparotomy audit (NELA)                            | Yes                         | Yes          | 149   | 97.3%                      |
| National joint registry   | Yes                         | Yes          | 2932  | 100%                       |
| National ophthalmology audit  | Yes                         | No           | Problems with data entered at Post-op so no submissions to date |                            |
| Neonatal Intensive Care (NNAP)  | Yes                         | Yes          | 326   | 100%                       |
| Rheumatoid & early inflammatory arthritis                             | Yes                         | Yes          | 13  | 100%                       |
| Sentinel stroke National audit programme                              | Yes                         | Yes          | 312   | 99% (to date)              |
| Non-NCAPOP  | Eligible to participate Y/N | Participated | Number eligible   | Actual Audit Submissions % |
| Adult asthma  | Yes                         | No           | Insufficient resources in department                            |                            |
| Case mix programme (ICNARC)   | Yes                         | Yes          | 809   | 100%                       |
| National elective surgery PROMS                                       | Yes                         | Yes          | Reported in core indicators section                             |                            |
| Emergency use of oxygen   | Yes                         | Yes          | 30  | 100%                       |

| Non-NCAPOP cont.   | Eligible to participate Y/N | Participated | Number eligible                   | Actual Audit submissions % |
|--|-----------------------------|--------------|-----------------------------------|----------------------------|
| Trauma audit research network (TARN)                                 | Yes                         | Yes          | 2015 – 198<br>2016 – 39           | 56.4 – 61.9<br>36.8 – 40.4 |
| Emergency use of oxygen  | Yes                         | Yes          | 30                                | 100%                       |
| National cardiac arrest Audit (NCAA)                                 | Yes                         | Yes          | 83                                | 100%                       |
| National comparative audit of blood transfusion programme            | Yes                         | Yes          | 22                                | 100%                       |
| Paediatric Asthma  | Yes                         | Yes          | 32                                | 100%                       |
| National Heart Failure audit   | Yes                         | Yes          | Data submission deadline 01/06/16 |                            |
| UK Parkinson's Audit   | Yes                         | Yes          | 42                                | 100%                       |
| Vital signs in children (care in emergency department)               | Yes                         | Yes          | 50                                | 100%                       |
| VTE risk in lower limb immobilization (care in emergency department) | Yes                         | Yes          | 50                                | 100%                       |

Note: The figures above represent the information provided to the Clinical Audit Department by the relevant audit leads/departments. Data collection for some of the audits extends beyond the date of this report therefore the figures contained within the report may not correspond with the actual validated figures published in the final audit reports.





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**NHS**  
Sola Akintami  
Senior Assistant Tech Officer

**NITRE**  
Extra

Supplier Name: TRICAMTRACK 4  
Serial Number: 1137  
G-Value Ref No: 1009  
SERVICE DATE: 2-11-25  
NEXT SERVICE DUE: 11-11-25

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# Annex



## **Annex A:**

### **Statements from Healthwatch, Overview and Scrutiny Committee and Clinical Commissioning Group**

This section outlines the comments received from stakeholders on this Quality Account prior to publication.

## Healthwatch

We would like to thank the Trust for inviting Healthwatch Wigan to respond to the draft Quality Accounts report.

We congratulate the Trust for many of the achievements outlined in the report; including improvements in infection control, leading to reduction in cases of MRSA, C-Diff.

Healthwatch volunteers support the Trust's work in PLACE surveys and we are pleased to see that the hospital was declared to be the cleanest in the NHS – this is something that our volunteers recognise as well. We are also pleased to see that there have been no so called 'Never Events' during this period.

Much of this success can be traced back to the Trusts' decision to pursue Quality as an overriding strategy for all services and we commend them for this vision.

We are pleased to see that the Trust accepted some of our suggestions from last year's Quality report – for example that Trust Board meetings should have a focus on both favourable and critical patient stories at each meeting. We know from our attendance at these meetings that such stories help the Board in undertaking their role.

Healthwatch Wigan decided to look into the Trusts' activities to cope with and respond to the extra pressures during the winter and in early 2015, our Enter and View team made 6 visits to Trust sites A&E (major injuries, minor injuries and ambulatory assessment), clinical decisions ward, medical admissions unit and discharge ward. The subsequent report highlighted the many good things we observed during these visits.

Our report recognised significant achievements and good practice within the winter resilience program. It also included a number of recommendations based on the observations of E&V volunteers and their discussions with patients and carers at the hospital, in particular, recommendations for the improvement of discharge processes. The report was welcomed by WWL and we are grateful that it featured prominently in the Members magazine and that the Trust produced an action plan to implement many of the recommendations. We were pleased to be invited to join the Discharge Improvement Committee and have continued to provide lay perspective contributing to subsequent improvements in performance. We fully endorsed WWL's commitments to achieve a 50% reduction in delays in discharge, and to improve the number of patients who feel they were involved in decisions about their discharge – which is something Healthwatch Wigan have called for in the past two years.

In May 2015, Healthwatch Wigan began to offer support to individuals who need to make a complaint about NHS services. This work has brought us into closer contact with the PALS services, Complaints Department and PHS Ombudsman. Whilst recognising much of the good work contained within the Quality Account we are keen to work with the Trust to continue to make further improvements in this area – to always welcome complaints and comments as a source of useful feedback from which to learn and to make sure that actions promised within the process are applied throughout the Trust.

As last year, we heartily endorse the Trust's aim to be in the top 10% of Trusts across a range of key measures.

We welcome the increasing focus of the Trust in being dementia friendly. This is something that will become increasingly important to all hospitals and to all who work in the NHS and Social Care. We wish the Trust well in its targets to increase the number of Dementia Champions across its workforce and to make improvements to the ward environment to be more dementia friendly. Moving forwards – looking into plans for closer cooperation between hospitals through schemes such as Healthier Together, GM Devolution and NHS Vanguard; the Trust should pay more attention to the outcomes of patients who are cared for and treated across the wider health and care economy.

We look forward to seeing the CQC report when finally published and working with the Trust on the actions to address any recommendations.

Healthwatch Wigan looks forward to working with Wroughtington, Wigan and Leigh NHS Foundation Trust in ensuring that local people, from all backgrounds, get the very best out of services delivered locally.

### Dave Nunns

Chief Executive - Healthwatch Wigan

## Wigan Borough Clinical Commissioning Group (CCG)

Wigan Borough Clinical Commissioning Group (the CCG) appreciates the opportunity to comment on the 2015/2016 Quality Account for Wrightington, Wigan and Leigh NHS Foundation Trust.

Notable successes for the Trust in 2015/2016 include:

- Participation in the national Sign up to Safety campaign
- The Quality Champions programme
- Achievement of the 4 hour wait target in A&E across the year
- Zero reported cases of Methicillin Resistant Staphylococcus Aureus
- A 48% reduction in the number of cases of Clostridium *difficile*
- A reduction in the number of Never Events to zero

In respect of the 2015/2016 quality priorities the CCG notes not all objectives were achieved, however good progress was made in a number of areas including improvements to the discharge process, the creation of dementia friendly ward environments and the investigation of all cardiac arrests to identify learning.

For 2016/2017 the CCG welcomes the focus on reducing mortality rates and the goal of achieving a Hospital Standardised Mortality Ratio of 85 and a Summary Hospital Level Mortality Indicator of 100. A renewed focus on venous thromboembolism prevention, falls prevention and early recognition of the deteriorating patient is also appreciated.

The CCG looks forward to seeing further quality improvements during 2016/2017 through the implementation of the new integrated Health Information System.

The CCG will continue to work with the Trust during the coming year to build on the progress made and to provide support to initiatives that will improve the quality of care and outcomes for the resident population of the Wigan Borough.

### Dr Tim Dalton

Chairman, Wigan Borough Clinical Commissioning Group

## Overview and Scrutiny Committee

Comments were sought from Overview and Scrutiny Committee, but none were received.



## **Annex B:**

### **Statement of Directors' Responsibilities in respect of the Quality Report**

The Directors of Wrightington, Wigan and Leigh NHS Foundation Trust (WWL) are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year.

Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that the NHS Foundation Trust Boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, Directors are required to take steps to satisfy themselves that:

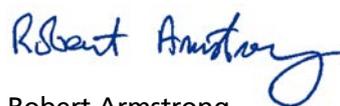
- The content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16 and supporting guidance;
- The content of the Quality Report is not inconsistent with internal and external sources of information including:
  - Board minutes and papers for the Period April 2015 to March 2016
  - Papers relating to Quality reported to the Board over the period April 2015 to March 2016
  - Feedback from Commissioners dated 10 May 2016
  - Feedback from Governors dated 16 May 2016
  - Feedback from local Healthwatch dated 23 May 2016
  - Feedback from Overview and Scrutiny Committee (not received)
  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations, dated 2014/2015.
  - The National Patient Survey 2015
  - The National Staff Survey 2015
  - The Head of Internal Audit's annual opinion over the Trust's control environment dated 2015/16
  - Care Quality Commission (CQC) Intelligent Monitoring Report dated May 2015.
- The Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered;
- The performance information reported in the Quality Account is reliable and accurate ;
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report and these controls are subject to review to confirm that they are working effectively in practice;
- The data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and

prescribed definitions, is subject to appropriate scrutiny and review; and:-

- The Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations published at [www.monitor.gov.uk/annualreportingmanual](http://www.monitor.gov.uk/annualreportingmanual)) as well as the standards to support data quality for the preparation of the Quality Report (available at [www.monitor.gov.uk/annualreportingmanual](http://www.monitor.gov.uk/annualreportingmanual))

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board



**Robert Armstrong**  
Chairman

25 May 2016



**Andrew Foster**  
Chief Executive

25 May 2016

## Annex C:

### How to provide feedback on the account

Feedback on the content of this report and suggestions for the content of future reports can be provided by calling the Foundation Trust Freephone Number 0800 073 1477 or by emailing: [foundationstrust@wwl.nhs.uk](mailto:foundationstrust@wwl.nhs.uk)



## **Annex D:**

# **External Auditors Limited Assurance Report**

## **Independent auditor's report to the Council of Governors of Wrightington, Wigan and Leigh NHS Foundation Trust on the quality report**

We have been engaged by the Council of Governors of Wrightington, Wigan and Leigh NHS Foundation Trust to perform an independent assurance engagement in respect of Wrightington, Wigan and Leigh NHS Foundation Trust's quality report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the Council of Governors of Wrightington, Wigan and Leigh NHS Foundation Trust as a body, to assist the Council of Governors in reporting Wrightington, Wigan and Leigh NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Wrightington, Wigan and Leigh NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

### **Scope and subject matter**

The indicators for the year ended 31 March 2016 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period; and
- Percentage of patients with a total discharge time in A&E of 4 hours or less from arrival to admission, transfer or discharge.

We refer to these national priority indicators collectively as the 'indicators'.

### **Respective responsibilities of the directors and auditors**

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual';
- the quality report is not consistent in all material respects with the sources specified in section 2.1 of the Monitor 2015/16 Detailed guidance for external assurance on quality reports; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual', and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with the documents listed below:

- board minutes for the period April 2015 to March 2016;
- papers relating to quality reported to the Board over the period April 2015 to March 2016;
- feedback from Commissioners, dated May 2016;
- feedback from local Healthwatch organisations, dated 23 May 2016;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS complaints regulations, dated 2014/15;
- the latest national patient survey;
- the latest national staff survey;
- Care Quality Commission Intelligent Monitoring Report dated May 2015; and
- the Head of Internal Audit's annual opinion over the Trust's control environment, dated April 2016.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

#### **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

#### **Limitations**

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual'.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

**Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the quality report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the quality report is not consistent in all material respects with the sources specified above; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual.

*Deloitte LLP*

Deloitte LLP

Chartered Accountants

Leeds

26 May 2016

# Annex E:

## Glossary of Terms

**Acute**

Having or experiencing a rapid onset of short but severe pain or illness.

**Acute care**

Necessary treatment, usually in hospital, for only a short period of time in which a patient is treated for a brief but severe episode of illness, injury or recovery from surgery.

**Annual Governance Statement**

This is a key feature of the organisation's annual report and accounts. It demonstrates publicly the management and control of resources and the extent to which the Trust complies with its own governance requirements, including how we have monitored and evaluated the effectiveness of our governance arrangements. It is intended to bring together into one place in the annual report all disclosures relating to governance, risk and control.

**Arterial**

This is of or relating to an artery or arteries.

**Assisted Conception**

Assisted conception means using reproductive technology to increase the chances of pregnancy.

**Better Care Better Value**

The Better Care, Better Value indicators reveal the potential to make significant cash or resource savings whilst improving quality.

**Cardiology**

The medical study of the structure, function, and disorders of the heart.

**Care Quality Commission (CQC)**

The independent regulator of health and social care in England. The CQC make sure health and social care services provide people with safe, effective, compassionate, high quality care and encourage services to improve.

**Chemical Pathology**

Chemical Pathology is the branch of pathology dealing with the biochemical basis of disease and the use of biochemical tests for screening, diagnosis, prognosis and management.

**Chemotherapy**

This is the treatment of disease by the use of chemical substances, especially the treatment of cancer by cytotoxic and other drugs.

**CIP (Cost Improvement Programme)**

These are a vital part of NHS Trust finances to deliver savings and reduce costs.

**Clinical Commissioning Group (CCG)**

Clinical Commissioning Groups (CCGs) were created following the Health and Social Care Act in 2012, and replaced Primary Care Trusts on the 1st April 2013. CCGs are clinically-led statutory NHS Bodies responsible for the planning and commissioning of healthcare services for their local area.

**Clostridium *difficile* (C diff / CDT)**

A bacterium that is recognised as the major cause of antibiotic associated colitis and diarrhoea. Mostly affects elderly patients with other underlying diseases.

**Colorectal**

This is relating to or affecting the colon and the rectum.

**Council of Governors**

There are three types of Governors: public, staff and partner. The main role of the Governors is to represent the communities the Trust serves and our stakeholders and to champion the Trust and its services. The Council of Governors do not "run" the Trust or get involved in operational issues: that is the job of the Trust Board. It has however, a key role in advising the Board and ultimately holding the Board to account for the decisions it makes.

**CPE (Carbapenemase Producing Enterobacteriaceae)**

Carbapenem-resistant enterobacteriaceae (CRE) or Carbapenemase-producing Enterobacteriaceae (CPE), are gram-negative bacteria that are nearly resistant to the carbapenem class of antibiotics, considered the "drug of last resort" for such infections. Enterobacteriaceae are common commensals and infectious agents

**CQUIN**

The Commissioning for Quality and Innovation Payment Framework enables commissioners to reward excellence, by linking a proportion of English healthcare providers' income to the achievement of local quality improvement goals.

**Dermatology**

This is the branch of medicine concerned with the diagnosis and treatment of skin disorders.

**Diabetes**

This is a metabolic disease in which the body's inability to produce any or enough insulin causes elevated levels of glucose in the blood.

**Freedom of Information (FOI)**

The Freedom of Information Act deals with access to official information and gives individuals or organisations the right to request information from any public authority.

**Friends and Family Test**

The Friends and Family Test (FFT) is an important feedback tool that supports the fundamental principle that people who use NHS services should have the opportunity to provide feedback on their experience. It asks people if they would recommend the services they have used and offers a range of responses

**Greater Manchester Devolution**

Devolution is the transfer of certain powers and responsibilities from national government to a particular geographical region i.e. Greater Manchester.

**Gynaecology**

This is the branch of physiology and medicine that deals with the functions and diseases specific to women and girls, especially those affecting the reproductive system.

**Health and Social Care Information Centre (HSCIC)**

The national provider of information, data and IT systems for commissioners, analysts and clinicians in health and social care.

**Healthier Together**

Healthier Together has been looking at how patients will receive health and care in the future. The Healthier Together programme is a key part of the wider programme for health and social care reform across Greater Manchester. Clinically led by health and social care professionals, the programme aims to provide the best health and care for the people of Greater Manchester.

**Healthwatch**

Healthwatch is the independent consumer champion that gathers and represents the views of the public about health and social care services in England.

**Hospital Standardised Mortality Ratio (HSMR)**

This is an important measure that can help support efforts to improve patient safety and quality of care in hospitals. The HSMR compares the actual number of deaths in a hospital with the average patient experience, after adjusting for several factors that may affect in-hospital mortality rates, such as the age, sex, diagnoses and admission status of patients. The ratio provides a starting point to assess mortality rates and identify areas for improvement, which may help to reduce hospital deaths from adverse events.

**HSJ**

This is Health Service Journal, a national health care publication.

**Hyperemesis**

This is severe or prolonged vomiting.

**IM&T**

Information Management and Technology.

**Information Governance**

Information Governance is a framework for handling information in a confidential and secure manner to appropriate ethical and quality standards.

**Information Governance**

Information Governance is a framework for handling information in a confidential and secure manner to appropriate ethical and quality standards.

**Information Technology (IT)**

The development, installation and implementation of computer systems and applications.

**JAG**

The JAG Accreditation Scheme is a patient centred and workforce focused scheme based on the principle of independent assessment against recognised standards. The scheme was developed for all endoscopy services and providers across the UK in the NHS and Independent Sector.

**Laparoscopy**

Laparoscopy is a surgery that uses a thin, lighted tube put through a cut (incision) in the belly to look at the abdominal organs or the female pelvic organs. Laparoscopy is used to find problems such as cysts, adhesions, fibroids, and infection. Tissue samples can be taken for biopsy through the tube (laparoscope).

**LEAN**

Lean is an improvement approach to improve flow and eliminate waste that was developed by Toyota. Lean is basically about getting the right things to the right place, at the right time, in the right quantities, while minimising waste and being flexible and open to change.

**Legionella**

This is the bacterium which causes legionnaires' disease, flourishing in air conditioning and central heating systems.

**League of Friends**

A voluntary organisation which supports the work of the hospitals in the Trust. The League of Friends is able to provide much needed equipment and comforts for the benefit of patients and staff through the income raised by the work of volunteers.

**LUSCS**

This is a lower uterine segment caesarean section.

**Magnetic Resonance Scanning**

This is a medical imaging technique used in radiology to image the anatomy and the physiological processes of the body in both health and disease.

**Max Fax**

Oral and Maxillofacial Surgery is a specialty that deals with conditions affecting the head and neck.

**Mch**

The Master of Surgery (Latin: Magister Chirurgiae) is an advanced qualification in surgery.

**MDT (Multi-Disciplinary Team)**

This is a meeting of a group of professionals from one or more clinical disciplines who together make decisions regarding recommended treatment of individual patients.

**Monitor**

Monitor is the independent regulator of NHS Foundation Trusts. The organisation was established in January 2004 to authorise and regulate NHS Foundation Trusts. It is independent of central government and directly accountable to Parliament.

There are three main strands to Monitor's work:

- Determining whether NHS Trusts are ready to become NHS Foundation Trusts
- Ensuring that NHS Foundation Trusts comply with the conditions they signed up to and that they are well-led and financially robust
- Supporting NHS Foundation Trust development

**Methicillin-resistant Staphylococcus aureus (MRSA)**

Staphylococcus aureus (SA) is a common type of bacteria that live harmlessly, as a colonisation, in the nose or on the skin of around 25-30% of people. It is important to remember that MRSA rarely causes problems for fit and healthy people. Many people carry MRSA without knowing it and never experience any ill effects. (These people are said to be colonised with MRSA rather than being infected with it).

In most cases, MRSA only poses a threat when it has the opportunity to get inside the body and cause an infection; this is called a bacteraemia.

**MEWS**

The modified early warning score (MEWS) is a simple guide used by hospital nursing & medical staff to quickly determine the degree of illness of a patient.

**Medicines Safety Thermometer**

The medicines safety thermometer is a measurement tool for improvement that focuses on medicine reconciliation, allergy status, medication omission and identifying harm from high risk medicines.

**National Reporting and Learning System (NRLS)**

The NRLS is a central database of patient safety incident reports.

**NHS Foundation Trusts**

NHS Foundation Trusts are a key part of the reform programme in the NHS. They are autonomous organisations, free from central Government control. They decide how to improve their services and can retain any surpluses they generate or borrow money to support these investments. They establish strong connections with their local communities; local people can become members and governors. These freedoms mean NHS Foundation Trusts can better shape their healthcare services around local needs and priorities. NHS Foundation Trusts remain providers of healthcare according to core NHS principles: free care, based on need and not ability to pay.

**North West Sector Solution**

A collaborative approach taken by WWL NHS FT, Salford Royal NHS FT and Bolton NH FT to meet the requirements set out by the Healthier Together programme.

**Obstetrics**

This is the branch of medicine and surgery concerned with childbirth and the care of women giving birth.

**Oncology**

This is the study and treatment of tumours.

**Ophthalmology**

This is the branch of medicine concerned with the study and treatment of disorders and diseases of the eye.

**Orthopaedics**

The diagnosis and treatment, including surgery, of diseases and disorders of the Musculo-skeletal system, including bones, joints, tendons, ligaments, muscles and nerves.

**Paediatrics**

This is the branch of medicine dealing with children and their diseases.

**PAWS**

This stands for Pathology at Wigan and Salford, a joint service between the two Trusts.

**PCR (Polymerase Chain Reaction)**

The polymerase chain reaction (PCR) is a technology in molecular biology used to amplify a single copy or a few copies of a piece of DNA across several orders of magnitude, generating thousands to millions of copies of a particular DNA sequence

**Performance Development Reviews (PDR)**

The purpose of a PDR is to review periodically the work, development needs and career aspirations of members of staff in relation to the requirements of their department and the Trust's plans and to take appropriate steps to realise their potential. It facilitates communication, clarity of tasks and responsibilities, recognition of achievements, motivation, training and development to the mutual benefit of employer and employees.

**PLACE Assessments**

Patient-led Assessments of the Care Environment (PLACE) assessments are undertaken by teams of NHS and private/independent healthcare providers, and include at least 50 percent members of the public. They focus on the environment in which care is provided, as well as supporting non-clinical services such as cleanliness, food, hydration, and the extent to which the provision of care with privacy and dignity is supported.

**Pseudomonas**

This is a bacterium of a genus that occurs in soil and detritus, including a number that are pathogens of plants or animals.

**Radiology**

This is the medical speciality that uses radioactive substances in the diagnosis and treatment of disease, especially the use of X-rays.

**RCOG**

This is the Royal College of Obstetricians and Gynaecologists.

**Rheumatology**

This is the study of rheumatism, arthritis, and other disorders of the joints, muscles, and ligaments.

**Secondary Care**

The term secondary care is a service provided by medical specialists who generally do not have first contact with patients, for example, cardiologists, urologists and dermatologists.

**Seven Day Services**

This is an initiative to make routine hospital services available 7 days a week.

**SPR (Specialist Registrar)**

A Specialist Registrar or SpR is a doctor who is receiving advanced training in a specialist field of medicine in order eventually to become a consultant.

**Summary Hospital-level Mortality Indicator (SHMI)**

SHMI is a hospital-level indicator which reports mortality at trust level across the NHS in England using standard and transparent methodology. This indicator is being produced and published quarterly by the Health and Social Care Information Centre.

**Ultrasound**

This is sound or other vibrations having an ultrasonic frequency, particularly as used in medical imaging.

**Urology**

The branch of medicine concerned with the study of the anatomy, physiology, and pathology of the urinary tract, with the care of the urinary tract of men and women, and with the care of the male genital tract.

**Vascular**

This is relating to, affecting, or consisting of a vessel or vessels, especially those that carry blood.

**Venous thromboembolism (VTE)**

This is the formation of blood clots in the vein. When a clot forms in a deep vein, usually in the leg, it is called a deep vein thrombosis or DVT. If that clot breaks loose and travels to the lungs, it is called a pulmonary embolism or PE.

**WWL Wheel**

The Strategic framework for the Trust is represented by the WWL wheel, there are 7 strategic aims that are underpinned by the 6 core values contained in the NHS Constitution. Patients are at the centre of the wheel as they are at the heart of everything we do.



A blurred background of a hospital room. In the upper right, a medical monitor is mounted on a stand, displaying a colorful interface. In the lower left, a person's arm in a blue hospital gown is visible, holding a white cup. In the center, a large stainless steel thermal pot sits on a counter. The overall scene is brightly lit and out of focus.

# Annual Accounts



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**Wrightington, Wigan and  
Leigh NHS Foundation Trust  
Annual Accounts for the Year  
Ended 31 March 2016**



# Independent Auditors Report

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS AND BOARD OF DIRECTORS OF WRIGHTINGTON, WIGAN AND LEIGH NHS FOUNDATION TRUST

|   |  |
|---|--|
| <p><b>Opinion on financial statements of Wrightington, Wigan and Leigh NHS Foundation Trust</b></p> | <p><b>In our opinion the financial statements:</b></p> <ul style="list-style-type: none"> <li>• give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of its income and expenditure for the year then ended;</li> <li>• have been properly prepared in accordance with the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts; and</li> <li>• have been prepared in accordance with the requirements of the National Health Service Act 2006.</li> </ul> <p>The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Taxpayers' Equity and the related notes 1 to 27. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts.</p> |
| <p><b>Certificate</b></p>   | <p>We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and Code of Audit Practice.</p>  |
| <p><b>Going concern</b></p>   | <p>We have reviewed the Accounting Officer's statement on page 119 that the Trust is a going concern. We confirm that:</p> <ul style="list-style-type: none"> <li>• we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and</li> <li>• we have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.</li> </ul> <p>However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.</p>   |
| <p><b>Independence</b></p>  | <p>We are required to comply with the Financial Reporting Council's Ethical Standards for Auditors and we confirm that we are independent of the Trust and we have fulfilled our other ethical responsibilities in accordance with those standards. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.</p>  |
| <p><b>Our assessment of risks of material misstatement</b></p>                                      | <p>The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team:</p>  |

**Capital programme, fixed asset valuation and disposal of Billinge site**

The Trust holds property assets within Property, Plant and Equipment at a modern equivalent use valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value.

Where the Trust develops properties as part of its capital programme, determining whether expenditure should be capitalised can involve significant judgement as to whether costs should be capitalised under International Financial Reporting Standards, and when to commence depreciation.

As part of the capital programme, the Trust has sought to dispose of the Billinge site. However, discussions are ongoing in this regard and this is an area of significant judgement at year end.

The value of property and land in 2015/16 is £148m, see notes 10 and 11 for further details.

We reviewed the Trust's capital plans as part of the audit planning process and discussed with management potential risks or issues identified.

We have tested the design and implementation of controls around capitalisation of costs, and tested spending on a sample basis to assess whether it complies with the relevant accounting requirements.

We reviewed the projects ledger and the status of the Wrightington Phase 1 and Health Information System projects to evaluate whether they have been depreciated from the appropriate point.

We challenged management's assessment of whether any impairment has arisen in respect of newly capitalised works and how these have been calculated.

We reviewed correspondence regarding the sale of the Billinge site to determine whether it has been appropriately valued.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 79.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Risk   | How the scope of our audit responded to the risk   |
|--|--|
| <p><b>Recognition of NHS revenue</b></p> <p>There are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to:</p> <ul style="list-style-type: none"> <li>• the complexity of the Payment by Results regime, in particular in determining the level of overperformance revenue to recognise;</li> <li>• the judgemental nature of provisions for disputes, including in respect of outstanding overperformance income for quarter 4; and</li> <li>• the risk of revenue not being recognised at fair value due to adjustments agreed in settling current year disputes and agreement of future year contracts.</li> </ul> <p>Details of the Trust's income, including £243m of Commissioner Requested Services, are shown in note 2.1 to the financial statements. NHS receivables of £5.4m are shown in note 15 to the financial statements.</p> <p>The Trust earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position. The majority of the Trust's income comes from Wigan Borough Clinical Commissioning Group (CCG), increasing the significance of associated judgements. The settlement of income with CCGs continues to present challenges, leading to disputes and delays in the agreement of year end positions.</p> | <p>We evaluated the design and implementation of controls over recognition of Payment by Results income.</p> <p>We performed detailed substantive testing on a sample basis of the recoverability of overperformance income and adequacy of provision for underperformance through the year, and evaluated the results of the agreement of balances exercise.</p> <p>We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.</p> |

### **Our application of materiality**

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Trust to be £2.64m (2014/15: £2.61m), which is below 1% of Operating income from continuing operations and below 2% of Taxpayers' equity (2014/15: 1% of Operating income from continuing operations and 2% of Taxpayers' equity). Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £132k (2014/15: £130k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

### **An overview of the scope of our audit**

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's head offices in Wigan directly by the audit engagement team, led by the audit partner.

The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

The Trust's Charitable Fund was deemed not material by management and as such is not consolidated. The Trust's charity will be subject to audit later in the year.

### **Opinion on other matters prescribed by the National Health Service Act 2006**

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

*Annual Governance Statement, use of resources, and compilation of financial statements*

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS foundation trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

*Our duty to read other information in the Annual Report*

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements;
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

**Respective responsibilities of the accounting officer and auditor**

As explained more fully in the Accounting Officer's Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice and International Standards on Auditing (UK and Ireland). We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Council of Governors and Board of Directors ("the Boards") of Wrightington, Wigan and Leigh NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Paul Thomson, ACA (Senior statutory auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Leeds, UK  
26 May 2016



## Foreword to the Accounts

### Wrightington, Wigan and Leigh NHS Foundation Trust

These accounts, for the year ended 31 March 2016, have been prepared by Wrightington, Wigan and Leigh NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.



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A handwritten signature in black ink, appearing to read 'Andrew Foster'.

**Andrew Foster**  
Chief Executive

25 May 2016

**Statement of Comprehensive Income**

|   | Note | 2015/16<br>£000        | 2014/15<br>£000       |
|---|------|------------------------|-----------------------|
| Operating income from patient care activities                 | 2    | 246,669                | 246,580               |
| Other operating income  | 3    | 25,711                 | 21,618                |
| <b>Total operating income from continuing operations</b>      |      | <b><u>272,380</u></b>  | <b><u>268,198</u></b> |
| Operating expenses  | 4    | (279,709)              | (272,907)             |
| <b>Operating surplus/(deficit) from continuing operations</b> |      | <b><u>(7,329)</u></b>  | <b><u>(4,709)</u></b> |
| <b>Finance costs</b>  |      |                        |                       |
| Finance income  | 7    | 53                     | 74                    |
| Finance expenses  | 8    | (457)                  | (263)                 |
| PDC dividends payable   |      | (4,096)                | (4,427)               |
| <b>Net finance costs</b>                                      |      | <b><u>(4,500)</u></b>  | <b><u>(4,616)</u></b> |
| <b>Deficit for the year*</b>                                  |      | <b><u>(11,829)</u></b> | <b><u>(9,325)</u></b> |
| <b>Other comprehensive income</b>                             |      |                        |                       |
| <b>Will not be reclassified to income and expenditure</b>     |      |                        |                       |
| Impairments   |      | (1,764)                | (6,058)               |
| Revaluations  |      | 1,686                  | 8,289                 |
| <b>Total comprehensive income/(expense) for the year</b>      |      | <b><u>(11,907)</u></b> | <b><u>(7,094)</u></b> |

\* The Trust's trading position excludes net impairments of £6,927k (£8,507k, 2014/15) which are technical in nature. A reconciliation of these amounts can be found in Note 27.

## Statement of Financial Position

|  | Note | 31 March 2016<br>£000 | 31 March 2015<br>£000 |
|--|------|-----------------------|-----------------------|
| <b>Non-current assets</b>                    |      |                       |                       |
| Intangible assets                            | 9    | 3,606                 | 4,075                 |
| Property, plant and equipment                | 10   | 170,610               | 167,784               |
| Trade and other receivables                  | 15   | 425                   | 401                   |
| <b>Total non-current assets</b>              |      | <b>174,641</b>        | <b>172,260</b>        |
| <b>Current assets</b>                        |      |                       |                       |
| Inventories                                  | 14   | 3,887                 | 3,789                 |
| Trade and other receivables                  | 15   | 12,123                | 10,856                |
| Non-current assets for sale                  | 16   | 3,035                 | 3,134                 |
| Cash and cash equivalents                    | 17   | 10,268                | 14,615                |
| <b>Total current assets</b>                  |      | <b>29,313</b>         | <b>32,394</b>         |
| <b>Current liabilities</b>                   |      |                       |                       |
| Trade and other payables                     | 18   | (27,275)              | (20,773)              |
| Other liabilities                            | 19   | (2,331)               | (713)                 |
| Borrowings                                   | 20   | (2,241)               | (132)                 |
| Provisions                                   | 21   | (1,027)               | (4,563)               |
| <b>Total current liabilities</b>             |      | <b>(32,874)</b>       | <b>(26,181)</b>       |
| <b>Total assets less current liabilities</b> |      | <b>171,080</b>        | <b>178,473</b>        |
| <b>Non-current liabilities</b>               |      |                       |                       |
| Other liabilities                            | 19   | (300)                 | (450)                 |
| Borrowings                                   | 20   | (28,952)              | (25,344)              |
| Provisions                                   | 21   | (2,820)               | (2,482)               |
| <b>Total non-current liabilities</b>         |      | <b>(32,072)</b>       | <b>(28,276)</b>       |
| <b>Total assets employed</b>                 |      | <b>139,008</b>        | <b>150,197</b>        |
| <b>Financed by</b>                           |      |                       |                       |
| Public dividend capital                      |      | 95,806                | 95,088                |
| Revaluation reserve                          |      | 32,410                | 33,038                |
| Income and expenditure reserve               |      | 10,792                | 22,071                |
| <b>Total taxpayers' equity</b>               |      | <b>139,008</b>        | <b>150,197</b>        |

The primary financial statements on pages 244 to 247 and the notes on pages 248 to 291 were approved by the Board of Directors and authorised for issue on 25 May 2016 and signed on its behalf by Andrew Foster, Chief Executive.



Andrew Foster  
Chief Executive

25 May 2016

**Statement of Changes in Equity for the year ended 31 March 2016**

|  | Public<br>dividend<br>capital<br>£000 | Revaluation<br>reserve<br>£000 | Income and<br>expenditure<br>reserve<br>£000 | Total<br>£000  |
|--|---------------------------------------|--------------------------------|--|----------------|
| <b>Taxpayers' equity at 1 April 2015</b>   | <b>95,088</b>                         | <b>33,038</b>                  | <b>22,071</b>                                | <b>150,197</b> |
| Surplus/(deficit) for the year   | 0                                     | 0                              | (11,829)                                     | (11,829)       |
| Transfer from revaluation reserve to income and expenditure reserve for<br>impairments arising from consumption of economic benefits | 0                                     | 0                              | 0  | 0              |
| Other transfers between reserves   | 0                                     | (550)                          | 550  | 0              |
| Impairments  | 0                                     | (1,764)                        | 0  | (1,764)        |
| Revaluations   | 0                                     | 1,686                          | 0  | 1,686          |
| Transfer to income and expenditure reserve   | 0                                     | 0                              | 0  | 0              |
| Public dividend capital received   | 718                                   | 0                              | 0  | 718            |
| <b>Taxpayers' equity at 31 March 2016</b>  | <b>95,806</b>                         | <b>32,410</b>                  | <b>10,792</b>                                | <b>139,008</b> |

|  | Public<br>dividend<br>capital<br>£000 | Revaluation<br>reserve<br>£000 | Income and<br>expenditure<br>reserve<br>£000 | Total<br>£000  |
|--|---------------------------------------|--------------------------------|--|----------------|
| <b>Taxpayers' equity at 1 April 2014</b>   | <b>94,456</b>                         | <b>32,246</b>                  | <b>29,957</b>                                | <b>156,659</b> |
| Surplus/(deficit) for the year   | 0                                     | 0                              | (9,325)                                      | (9,325)        |
| Transfer from revaluation reserve to income and expenditure reserve for<br>impairments arising from consumption of economic benefits | 0                                     | (76)                           | 76   | 0              |
| Other transfers between reserves   | 0                                     | (1,363)                        | 1,363  | 0              |
| Impairments  | 0                                     | (6,058)                        | 0  | (6,058)        |
| Revaluations   | 0                                     | 8,289                          | 0  | 8,289          |
| Transfer to income and expenditure reserve   | 0                                     | 0                              | 0  | 0              |
| Public dividend capital received   | 632                                   | 0                              | 0  | 632            |
| <b>Taxpayers' equity at 31 March 2015</b>  | <b>95,088</b>                         | <b>33,038</b>                  | <b>22,071</b>                                | <b>150,197</b> |

## Statement of Cash Flows

|   | Note | 2015/16<br>£000 | 2014/15<br>£000 |
|---|------|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                           |      |                 |                 |
| Operating surplus/(deficit)   |      | (7,329)         | (4,709)         |
| <b>Non-cash income and expense</b>                                    |      |                 |                 |
| Depreciation and amortisation   | 4    | 5,963           | 7,935           |
| Impairments and reversals of impairments                              | 3, 4 | 6,926           | 8,507           |
| (Gain)/loss on disposal of non-current assets                         | 3, 4 | 8               | (9)             |
| Income recognised in respect of capital donations (cash and non cash) | 3    | (472)           | (628)           |
| (Increase)/decrease in receivables and other assets                   |      | (1,417)         | (251)           |
| (Increase)/decrease in inventories                                    |      | (98)            | (123)           |
| Increase/(decrease) in payables and other liabilities                 |      | 8,728           | (2,255)         |
| Increase/(decrease) in provisions                                     |      | (3,220)         | (1,137)         |
| <b>Net cash generated from/(used in) operating activities</b>         |      | <b>9,089</b>    | <b>7,330</b>    |
| <b>Cash flows from investing activities</b>                           |      |                 |                 |
| Interest received   |      | 55              | 73              |
| Purchase of intangible assets   |      | (488)           | (225)           |
| Purchase of property, plant, equipment and investment property        |      | (15,411)        | (26,068)        |
| Sales of property, plant, equipment and investment property           |      | 97              | 52              |
| Receipt of cash donations to purchase capital assets                  |      | 289             | 282             |
| <b>Net cash generated from/(used in) investing activities</b>         |      | <b>(15,458)</b> | <b>(25,886)</b> |
| <b>Cash flows from financing activities</b>                           |      |                 |                 |
| Public dividend capital received                                      |      | 718             | 632             |
| Loans received  |      | 5,849           | 16,808          |
| Loans paid  |      | (132)           | 0               |
| Other interest paid   |      | (403)           | (142)           |
| PDC dividend paid   |      | (4,010)         | (4,378)         |
| <b>Net cash generated from/(used in) financing activities</b>         |      | <b>2,022</b>    | <b>12,920</b>   |
| <b>Increase/(decrease) in cash and cash equivalents</b>               |      | <b>(4,347)</b>  | <b>(5,636)</b>  |
| <b>Cash and cash equivalents at 1 April</b>                           |      | <b>14,615</b>   | <b>20,251</b>   |
| <b>Cash and cash equivalents at 31 March</b>                          | 17   | <b>10,268</b>   | <b>14,615</b>   |

# Notes to the Accounts for the year ended 31 March 2016

## 1. Accounting policies

Monitor is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Foundation Trust Annual Reporting Manual (FT ARM) which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the FT ARM 2015/16 issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual (FRM) to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

### 1.1 Accounting convention

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

The financial statements and associated notes have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretation Committee (IFRIC) interpretations as endorsed by the European Union, and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements are presented in Pounds Sterling, rounded to the nearest thousand.

### 1.2 Joint operations accounting

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to assets, and obligations for liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

### 1.3 Accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors considered of relevance. Actual results may differ from those estimates, and underlying assumptions are continually reviewed. Revisions to estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas of critical judgements that management have made in the process of applying the entity's accounting policies.

#### Going concern

After making enquiries, the Trust's directors have a reasonable expectation that the Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these financial statements.

#### Segmental reporting

In line with IFRS 8 Operating Segments, the Board of Directors, as Chief Decision Maker, has assessed that the Trust continues to report its Annual Accounts on the basis that it operates in the healthcare segment only. The accompanying financial statements have consequently been prepared under one single operating segment.

### Consolidation of Charity

Wrightington, Wigan and Leigh NHS Foundation Trust is the corporate trustee to Wrightington, Wigan and Leigh Health Services Charity (also known as Three Wishes). The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary.

The Trust has reviewed the value of Charity fund balances at 31 March 2016 and does not consider these to be of a material value to require consolidation into the Trust accounts.

The following are key sources of estimation uncertainty at the end of the reporting period that present significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

### Asset valuation and lives

The value and remaining useful lives of land and building assets are estimated by Cushman and Wakefield (formerly DTZ Debenham Tie Leung Ltd). Valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. Valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property.

The last full asset valuation was undertaken in 2014/15 with the revaluation date of 1 April 2014. An interim desk top valuation was undertaken in March with a revaluation date of 31 March 2016 and was applied on 31 March 2016.

The lives of equipment assets are estimated using historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change. Operational equipment is carried at cost less any accumulated depreciation. Where assets are of low value and/or have short useful economic lives, these are carried at depreciated historical cost as this is not considered to be materially different from fair value.

An item of property, plant and equipment which is surplus and is not being used to deliver services with no plan to bring it back into use is valued at fair value under IFRS 13 Fair Value Measurement, if it does not meet the requirements of IAS 40 Investment Property or IFRS 5 Non-current assets held for sale.

Software licences are depreciated over the shorter of the term of the licence and the useful economic life.

The total value of intangible and tangible fixed assets as at 31 March 2016 is £171m.

### Interests in other entities and joint arrangements

Reporting bodies are required to assess whether they have interests in subsidiaries, associates, joint ventures or joint operations, prior to accounting for and disclosing these arrangements according to the relevant accounting standards. This assessment involves making judgements and assumptions about the nature of collaborative working arrangements, including whether or not the Trust has control over those arrangements per IFRS 10 Consolidated Financial Statements.

The Trust has assessed its existing contracts and collaborative arrangements for 2015/16, and has determined that the only arrangements which would fall within the scope of IFRS 10, IFRS 11 Joint Arrangements or IFRS 12 Disclosure of Interests in Other Entities, are the Trust's subsidiary charity and three joint operations (Note 13).

### Estimation uncertainty

The following are sources of estimation uncertainty that are not currently judged to cause a significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial year

- provisions such as those for employer and public liability legal claims;
- provision for impaired receivables, including 21.99% of accrued Injury Cost Recovery (ICR) income to reflect the average value of claims withdrawn as advised to the Department of Health by the Compensation Recovery Unit;

- employee benefits in respect of annual leave entitlement not taken at the end of the year, for which an accrual is calculated on a sample of Trust employees; and
- partially completed spells.

#### **1.4 Consolidation**

Wrightington, Wigan and Leigh NHS Foundation Trust is the corporate trustee to Wrightington, Wigan and Leigh Health Services Charity (also known as Three Wishes). The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Generally Accepted Accounting Principles (UK GAAP). On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the foundation trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

Where the fund balances held by the Charity are deemed to be of a material value to require consolidation, then those balances will be consolidated into the Trust Accounts.

There is no consolidation for 2015/16.

#### **1.5 Income**

##### **Recognition**

Income in respect of services provided is recognised when and to the extent that performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met.

##### **Partially completed spells**

The Trust recognises income for incomplete patient spells. Patients admitted before 31 March but not discharged before midnight 31 March are accounted for on the basis of average length of stay for the admitting speciality minus the patient's length of stay at midnight 31 March.

#### **1.6 Expenditure on goods and services**

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

#### **1.7 Expenditure on employee benefits**

##### **Short-term employee benefits**

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees.

The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

## **Pension costs**

### **NHS pension scheme**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Employer's pension costs of contributions are charged to operating expenses as and when they become due.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows.

### **Accounting valuation**

A valuation of the scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes.

The valuation of the scheme liability as at 31 March 2016 is based on the valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

### **Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

There are seven rates of member contribution, starting from 5% of pensionable pay for the lowest earners to 14.3% for those earning £111,377 and over. Employer contributions amount to 14.3% of pensionable pay.

Employee and employer contributions to the scheme in 2016/17 are expected to be in the region of £26m.

The Scheme Regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the scheme actuary and appropriate employee and employer representatives as deemed appropriate.

## **1.8 Current / non-current classification**

Assets and liabilities are classified as current if they are expected to be realised within, or where they have a maturity of less than, twelve months from the Statement of Financial Position date. All other assets and liabilities are classified as non-current.

## 1.9 Intangible assets

### Recognition

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

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

### Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating.

Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment.

Intangible assets re-classified as Held for Sale are measured at the lower of their carrying amount or fair value less costs to sell.

An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS13 Fair Value Measurement, if it does not meet the requirements of IAS40 Investment Property or IFRS5 Non-current assets held for sale.

### Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Foundation Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

### Amortisation

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

Expected useful economic lives are as follows.

|                         |         |
|-------------------------|---------|
| Development expenditure | 5 years |
| Software                | 5 years |

### 1.10 Property, plant and equipment

#### Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

Property, plant and equipment assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- individually have a cost of at least £5,000; or
- collectively have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial equipping and setting-up cost of a new building, ward or unit.

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

#### Measurement

#### Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Thereafter revaluations of property and land are carried out as mandated by a qualified valuer who is a member of the Royal Institute of Chartered Surveyors and in accordance with the appropriate sections of the Practice Statement ("PS") and United Kingdom Practice Statements contained within the RICS Valuation Standards. The valuations are carried out as follows.

- Interim every 3 years
- Full valuation every 5 years

Where management conclude that the book value no longer reflects fair value a separate independent valuation will be commissioned.

All revalued assets are measured at fair value.

- Specialised buildings used for the Trust's services or for administrative purposes are stated in the Statement Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial position date. Fair values are determined by using a depreciated replacement cost, modern equivalent asset approach.
- Land and non-specialised buildings – market value for existing use.

The carrying value of other existing assets will be written off over their remaining useful lives, and are carried at depreciated historic cost as this is not considered to be materially different from fair value.

The accounting entries for revaluation gains and losses are detailed below.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS13 Fair Value Measurement, if it does not meet the requirements of IAS40 Investment Property or IFRS5 Non-current assets held for sale.

### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. The estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated at the point it becomes classified as Held for Sale. Assets in the course of construction are not depreciated until the assets are brought into use. Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by a qualified valuer recognised in accordance with RICS.

Property, plant and equipment is depreciated over the following useful lives.

- Buildings excluding dwellings 6 to 90 years
- Dwellings 26 to 54 years

Equipment is depreciated over the following useful lives.

- Engineering plant and equipment 5 to 15 years
- Vehicles 5 years
- Furniture 10 years
- Office and IT equipment 5 years
- Soft furnishings 7 years
- Medical and other equipment 5 to 15 years
- Mainframe-type IT installations 5 years

### Revaluation gains and losses

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

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenditure, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenditure.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### **Impairments**

In accordance with the FT ARM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of:

- the impairment charged to operating expenses; and
- the balance in the revaluation reserve attributable to that asset before impairment.

An impairment arising from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that give rise to the loss are reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### **Assets under construction**

Assets under construction are measured at cost of construction as at the 31 March. Assets are reclassified to the appropriate category when they are brought into use.

### **De-recognition**

Assets intended for disposal are reclassified as Held for Sale once all of the following criteria are met.

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales.
- The sale must be highly probable, i.e.:
  - i. management are committed to a plan to sell the asset;
  - ii. an active programme has begun to find a buyer and complete the sale;
  - iii. the asset is being actively marketed at a reasonable price;
  - iv. the sale is expected to be completed within 12 months of the date of classification as Held for Sale; and
  - v. the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as Held for Sale and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

#### **1.11 Donated, government grant and other grant funded assets**

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposes a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

#### **1.12 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method and the weighted average cost method.

#### **1.13 Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, which usually equates to invoice total, less provision for impairment. A provision for impairment of trade receivables is estimated when there is objective evidence that the Foundation Trust will not be able to collect amounts due.

#### **1.14 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **1.15 Trade payables**

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method which usually equates to invoice value.

#### **1.16 Financial instruments**

##### **Recognition**

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Foundation Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent that, performance occurs i.e. when receipt or delivery of the goods or services is made.

##### **De-recognition**

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

##### **Classification and measurement**

The only category of financial assets held by the Trust is 'loans and receivables'.

The only category of financial liabilities held by the Trust is 'other financial liabilities'.

### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise cash and cash equivalents, and part of NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset. For short term receivables amortised cost usually equates to invoice value.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

### **Other financial liabilities**

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. For short term payables, amortised cost equates to invoice value. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs.

The Trust's Independent Trust Financing Facility loans are included in other financial liabilities, but are not measured at amortised cost. They are measured at historic cost, as directed by HM Treasury FReM,

Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

### **Impairment of financial assets**

At the Statement of Financial Position date, the Trust assesses whether any financial assets are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the provision for impaired receivables.

### **Impairments of receivables**

At each period end the Trust individually reviews receivables for recoverability. Following this review impairment is made for those receivables where there is reasonable uncertainty of obtaining settlement.

## **1.17 Leases**

### **Finance leases**

The Trust does not have any finance leases.

### **Operating leases**

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

In applying IFRIC 4 - Determining whether an Arrangement Contains a Lease, collectively significant rental arrangements that do not have the legal status of a lease but convey the right to use an asset for payment are accounted for under the Trust's lease policy, where fulfilment of the arrangement is dependent on the use of specific assets.

### **Leases of land and buildings**

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

#### **1.18 Provisions**

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount, for which it is probable that there will be a future outflow of cash or other resources, and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates in real terms of -1.55% for short-term provisions; -1.00% for medium term provisions and 0.80% for long term provisions, (-1.5%, -1.05% and 2.20% 2014/15).

For post-employment benefits including early retirement provisions and injury benefit provisions the HM Treasury's pension discount rate of 1.37% in real terms (1.30% 2014/15) is used.

#### **1.19 Clinical negligence costs**

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed in Note 21.1 but is not recognised in the Trust's accounts.

#### **1.20 Non-clinical risk pooling**

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

#### **1.21 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Trust's control) are not recognised as assets, but are disclosed in Note 22 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in Note 22, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### 1.22 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust including any subsequent investment by the Department of Health in the Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the NHS Foundation Trust, is payable as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS Foundation Trust during the financial year.

Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Service (GBS) and National Loan Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment occur as a result of the audit of the annual accounts.

### 1.23 Value added tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.24 Corporation tax

As an NHS foundation trust, Wrightington, Wigan and Leigh NHS Foundation Trust is specifically exempted from corporation tax through the Corporation Tax Act 2010. The Act provides that HM Treasury may dis-apply this exemption only through an order via a statutory instrument (secondary legislation). Such an order could only apply to activities which are deemed commercial, and arguably much of the Trust's other operating income is ancillary to the provision of healthcare, rather than being commercial in nature. No such order has been approved by a resolution of the House of Commons. There is therefore no corporation tax liability in respect of the current financial year.

### 1.25 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts (Note 17.1) in accordance with the requirements of HM Treasury's FRoM.

### 1.26 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

The note on losses and special payments (Note 25) is compiled directly from the Trust's losses and special payments register which reports on an accruals basis with the exception of provisions for future losses.

### 1.27 Accounting standards and amendments issued but not yet adopted in the FT ARM

The effective date of the following standards are disclosed after the standards' names; these amendments or new standards are not yet adopted by the European Union (EU).

**IFRS 9 Financial Instruments:** [new standard] (2018/19) - this new standard is likely to have a non-material impact on the Trust's accounts. It is intended to eventually replace IAS 39 Financial Instruments: Recognition and Measurement, which currently sets out the requirements for the recognition and measurement of financial instruments.

**IFRS 15 Revenue from contracts with customers:** [new standard] (2017/18) – this new standard is not likely to have an impact on how the Trust recognises income but may have some impact on disclosures.

**IFRS 11 Joint Arrangements:** [amendment] (2016/17) – The amendments to IFRS 11 increase the scope of transactions that would need to be assessed to determine whether they represent the acquisition of a business or an asset. This standard will impact on how the Trust accounts for joint arrangements.

**IAS 16 Property Plant and Equipment and IAS38 Impairments:** [amendment] (2016/17) – this amendment clarifies the acceptable methods of depreciation and amortisation and confirms that revenue based method is no longer an appropriate method. This amendment is not likely to impact on the Trust.

**IAS 16 Property Plant and Equipment and IAS41 Agriculture - bearer plants:** [amendment] (2016/17) – this amendment will not impact on the Trust.

**IAS27 Equity Method in Separate Financial Statements:** [amendment] (2016/17) – The amendments to IAS 27 Separate Financial Statements allow an entity to use the equity method to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. This amendment is not likely to impact on the Trust.

**IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates:** [amendment] (2016/17) – this amendment address issues that have arisen in applying the investment entities exception under IFRS 10 and will not impact on the Trust.

**IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates:** [amendment] (2016/17) – this amendment addresses how entities deal with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture and will not impact on the Trust.

**IAS1 Presentation of Financial Statements: [amendment] (2016/17)** – These amendments assist entities in applying judgement when meeting the presentation and disclosure requirements and will impact the Trust.

### **Annual improvements 2012 and 2013**

The IASB's Annual Improvements process is intended to enhance the quality of existing standards by clarifying or rectifying relatively minor issues. The following 4 standards have been subject to improvement however are unlikely to have significant impact on the Trust.

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

IFRS 7 Financial Instruments Disclosures

IAS 19 Employee Benefits

IAS 34 Interim Financial Reporting

**IFRS - International Financial Reporting Standards**

**IFRIC - International Financial Reporting Interpretations Committee**

**IAS - International Accounting Standard**

**Note 2.1 Income from patient care activities (by nature)**

|  | <b>2015/16</b>        | <b>2014/15</b>        |
|--|-----------------------|-----------------------|
|  | <b>£000</b>           | <b>£000</b>           |
| <b>Income from commissioner requested services</b>     |                       |                       |
| Elective income  | 59,825                | 60,514                |
| Non elective income                                    | 53,981                | 47,255                |
| Outpatient income                                      | 49,640                | 47,194                |
| A & E income   | 9,605                 | 8,598                 |
| Other NHS clinical income*                             | 70,147                | 78,795                |
| <b>Income from non-commissioner requested services</b> |                       |                       |
| Private patient income                                 | 2,406                 | 2,359                 |
| Other clinical income**                                | 1,065                 | 1,865                 |
| <b>Total income from activities</b>                    | <b><u>246,669</u></b> | <b><u>246,580</u></b> |

\* Other NHS clinical income includes income received in respect of maternity pathways, critical care, and diagnostic and other services.

\*\* Other clinical income relates largely to income from the Compensation Recovery Unit (CRU).

**Note 2.2 Income from patient care activities (by source)**

| <b>Income from patient care activities received from:</b> | <b>2015/16</b>        | <b>2014/15</b>        |
|---|-----------------------|-----------------------|
|   | <b>£000</b>           | <b>£000</b>           |
| CCGs and NHS England                                      | 241,115               | 241,902               |
| Department of Health                                      | 0                     | 4                     |
| Local Authorities   | 281                   | 0                     |
| NHS foundation trusts                                     | 379                   | 261                   |
| NHS other   | 182                   | 183                   |
| Non NHS: private patients                                 | 2,406                 | 2,359                 |
| Non NHS: overseas patients (chargeable to patient)        | 34                    | 62                    |
| NHS injury scheme (CRU)                                   | 1,065                 | 1,530                 |
| Non NHS: other  | 1,207                 | 279                   |
| <b>Total income from activities</b>                       | <b><u>246,669</u></b> | <b><u>246,580</u></b> |

NHS injury scheme income is subject to a provision for doubtful debts of 21.99% (18.9%, 2014/15) to reflect expected rates of collection.

Prior year comparative figures have been restated in line with guidance from FT ARM 2015/16, however the total balance remains the same as prior year.

|  |    |    |
|--|----|----|
| Income recognised this year                              | 34 | 62 |
| Cash payments received in-year                           | 15 | 23 |
| Amounts added to provision for impairment of receivables | 54 | 46 |
| Amounts written off in-year                              | 0  | 22 |

| <b>Note 3 Other operating income</b>                            | <b>2015/16</b> | <b>2014/15</b> |
|---|----------------|----------------|
|   | <b>£000</b>    | <b>£000</b>    |
| Research and development  | 672            | 931            |
| Education and training  | 7,291          | 6,992          |
| Receipt of capital grants and donations                         | 482            | 628            |
| Charitable and other contributions to expenditure               | 62             | 61             |
| Non-patient care services to other bodies                       | 4,060          | 2,082          |
| Profit on disposal of non-current assets                        | 0              | 33             |
| Reversal of impairments   | 1,596          | 955            |
| Rental revenue from operating leases                            | 109            | 109            |
| Income in respect of staff costs where accounted on gross basis | 2,738          | 996            |
| Other income*   | 8,701          | 8,831          |
| <b>Total other operating income</b>                             | <b>25,711</b>  | <b>21,618</b>  |

\* Other operating income of £8.7m (£8.8m, 2014/15) includes car parking income, catering income, pharmacy income, staff accommodation rental and other miscellaneous income recharged to other NHS bodies.

**Note 4 Operating expenses**

|  | <b>2015/16</b> | <b>2014/15</b> |
|--|----------------|----------------|
|  | <b>£000</b>    | <b>£000</b>    |
| Services from NHS foundation trusts                            | 1,465          | 1,797          |
| Services from NHS trusts                                       | 51             | 354            |
| Services from CCGs and NHS England                             | 0              | 62             |
| Services from other NHS bodies                                 | 5              | 0              |
| Purchase of healthcare from non NHS bodies                     | 654            | 686            |
| Employee expenses - executive directors                        | 1,286          | 1,205          |
| Employee expenses - non-executive directors                    | 169            | 160            |
| Employee expenses - staff                                      | 169,680        | 161,785        |
| Employee expenses - agency                                     | 9,897          | 13,766         |
| Supplies and services - clinical                               | 27,697         | 27,065         |
| Supplies and services - general                                | 5,024          | 3,892          |
| Establishment  | 2,608          | 2,024          |
| Research and development                                       | 0              | 10             |
| Transport  | 1,444          | 2,410          |
| Premises   | 12,923         | 10,938         |
| Increase/(decrease) in provision for impairment of receivables | 247            | 558            |
| Change in provisions discount rate(s)                          | 54             | 116            |
| Inventories written down                                       | 0              | 31             |
| Drug costs (non-inventory)                                     | 5,480          | 3,002          |
| Drug costs (inventory consumed)                                | 16,322         | 16,589         |
| Rentals under operating leases                                 | 1,758          | 1,401          |
| Depreciation on property, plant and equipment                  | 5,253          | 7,014          |
| Amortisation on intangible assets                              | 710            | 921            |
| Impairments  | 8,522          | 9,462          |
| Audit fees payable to the external auditor                     |                |                |
| audit services - statutory audit                               | 50             | 50             |
| other auditor remuneration - see Note 4.1                      | 37             | 31             |
| Internal audit and local counter fraud services                | 155            | 106            |
| Clinical negligence  | 7,000          | 5,527          |
| Loss on disposal of non-current assets                         | 8              | 24             |
| Legal fees   | 443            | 244            |
| Consultancy costs  | 0              | 341            |
| Training, courses and conferences                              | 825            | 534            |
| Patient travel   | 39             | 33             |
| Redundancy and other mutually agreed resignation schemes       | 579            | 129            |
| Hospitality  | 0              | 6              |
| Insurance  | 390            | 398            |
| Losses, ex gratia & special payments*                          | 1,056          | (274)          |
| Other**  | (2,122)        | 508            |
| <b>Total</b>   | <b>279,709</b> | <b>272,907</b> |

Expenditure incurred in respect of Internal Audit Fees were previously reported under Services from NHS Trusts. These costs have been re-classified as Internal audit fees and prior year comparatives have been re-instated to reflect the change in classification.

\* Losses, ex gratia & special payments includes the value of replacement theatre consignment stock (£1m) which was damaged as a result of a flood during December, and industrial injury claims notified but not yet settled.

\*At the end of 2014/15 the Trust held a provision on its balance sheet of £2.5m for which there was a degree of uncertainty. The Trust maintained this provision on grounds of prudence whilst seeking further direction from HMRC. This provision was reversed during the year.

| <b>Note 4.1 Other auditor remuneration</b>               | <b>2015/16</b>   | <b>2014/15</b>   |
|--|------------------|------------------|
|  | <b>£000</b>      | <b>£000</b>      |
| Other auditor remuneration paid to the external auditor: |                  |                  |
| Audit-related assurance services                         | 19               | 19               |
| All assurance services not falling within the above      | 18               | 12               |
| <b>Total</b>   | <b><u>37</u></b> | <b><u>31</u></b> |

Assurance on the trust's quality report performed by external audit does not form part of the statutory audit under the Code of Audit Practice. These fees, previously reported under statutory audit fees, have been re-classified to audit related assurance services for 2015/16. Prior year comparatives have been updated to reflect this re-classification (£19k). Other assurance services of £18k relate to a Board Effectiveness Review undertaken during the year.

#### **Note 4.2 Limitation on auditor's liability**

There is no limitation on auditor's liability for external audit work carried out for the financial years 2015/16 or 2014/15.

#### **Note 4.3 Better payment practice code (BPPC)**

The better payment practice code gives NHS organisations a target of paying 95% of invoices within agreed payment terms or in 30 days where there are no terms agreed.

Performance for the financial year against this target is contained in the table below.

|  | <b>2015/16</b>      |                     | <b>2014/15</b>      |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | <b>Number</b>       | <b>£000</b>         | <b>Number</b>       | <b>£000</b>         |
| <b>Non-NHS</b>   |                     |                     |                     |                     |
| Trade invoices paid in the period                      | 65,926              | 97,850              | 72,461              | 142,997             |
| Trade invoices paid within target                      | 62,900              | 91,709              | 69,069              | 137,535             |
| <b>Percentage of trade invoices paid within target</b> | <b><u>95.4%</u></b> | <b><u>93.7%</u></b> | <b><u>95.3%</u></b> | <b><u>96.2%</u></b> |
| <b>NHS</b>   |                     |                     |                     |                     |
| Trade invoices paid in the period                      | 2,321               | 20,237              | 2,720               | 22,130              |
| Trade invoices paid within target                      | 1,999               | 12,098              | 2,639               | 21,763              |
| <b>Percentage of trade invoices paid within target</b> | <b><u>86.1%</u></b> | <b><u>59.8%</u></b> | <b><u>97.0%</u></b> | <b><u>98.3%</u></b> |
| <b>Total</b>   |                     |                     |                     |                     |
| Trade invoices paid in the period                      | 68,247              | 118,087             | 75,181              | 165,127             |
| Trade invoices paid within target                      | 64,899              | 103,807             | 71,708              | 159,298             |
| <b>Percentage of trade invoices paid within target</b> | <b><u>95.1%</u></b> | <b><u>87.9%</u></b> | <b><u>95.4%</u></b> | <b><u>96.5%</u></b> |

| <b>Note 5 Employee benefits</b>          |                  |               | <b>2015/16</b> | <b>2014/15</b> |
|--|------------------|---------------|----------------|----------------|
|  | <b>Permanent</b> | <b>Other</b>  | <b>Total</b>   | <b>Total</b>   |
|  | <b>£000</b>      | <b>£000</b>   | <b>£000</b>    | <b>£000</b>    |
| Salaries and wages                       | 145,468          | 1,067         | <b>146,535</b> | 139,523        |
| Social security costs                    | 10,646           | 0             | <b>10,646</b>  | 10,386         |
| Employer's contributions to NHS pensions | 15,776           | 0             | <b>15,776</b>  | 15,177         |
| Agency/contract staff                    | 0                | 9,897         | <b>9,897</b>   | 13,766         |
| <b>Total staff costs</b>                 | <b>171,890</b>   | <b>10,964</b> | <b>182,854</b> | <b>178,852</b> |
| Costs capitalised as part of assets      | 1,553            | 389           | <b>1,942</b>   | 2,096          |

#### Note 5.1 Retirements due to ill-health

During 2015/16 there were 9 early retirements from the Trust agreed on the grounds of ill-health (3, 2014/15). The estimated additional pension liabilities of these ill-health retirements is £336k (£233k, 2014/15).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

#### Note 5.2 Executive directors' and non-executive directors' remuneration and other benefits

|  | <b>2015/16</b> | <b>2014/15</b> |
|--|----------------|----------------|
|  | <b>£000</b>    | <b>£000</b>    |
| Salary   | 946            | 961            |
| Employer's pension contributions   | 120            | 128            |
| Taxable benefits   | 7              | 12             |
| <b>Total</b>   | <b>1,073</b>   | <b>1,101</b>   |
| Non-executive directors' remuneration *                                      | 152            | 148            |
| <b>Total</b>   | <b>1,225</b>   | <b>1,249</b>   |
| The total number of directors accruing benefits under the NHS Pension Scheme | <b>6</b>       | <b>6</b>       |

\* Non-executive directors are not members of the NHS Pension Scheme.

Further details of directors' remuneration can be found in the remuneration section of the Annual Report.

#### Note 5.3 Employee benefits

An accrual in respect of annual leave entitlement carried forward at the Statement of Financial Position date of £0.8m has been provided for within the accounts (£0.6m, 2014/15). There were no other employee benefits during the year.

**Note 6 Operating leases****Note 6.1 Wrightington, Wigan and Leigh NHS Foundation Trust as a lessee**

|  | <b>2015/16</b>      | <b>2014/15</b>      |
|--|---------------------|---------------------|
|  | <b>£000</b>         | <b>£000</b>         |
| <b>Operating lease expense</b>                       |                     |                     |
| Minimum lease payments                               | 1,558               | 1,186               |
| Contingent rents                                     | 200                 | 215                 |
| <b>Total</b>   | <b><u>1,758</u></b> | <b><u>1,401</u></b> |
|  | <b>31 March</b>     | <b>31 March</b>     |
|  | <b>2016</b>         | <b>2015</b>         |
|  | <b>£000</b>         | <b>£000</b>         |
| <b>Future minimum lease payments due:</b>            |                     |                     |
| - not later than one year;                           | 480                 | 615                 |
| - later than one year and not later than five years; | 1,255               | 775                 |
| - later than five years.                             | 284                 | 0                   |
| <b>Total</b>   | <b><u>2,019</u></b> | <b><u>1,390</u></b> |

The Trust leases various premises, primarily to accommodate administrative functions, under operating leases at market rates, for periods up to 20 years.

The Trust also leases equipment and vehicles for periods not exceeding 7 years.

Leased equipment chiefly comprises complex medical equipment used in the delivery of healthcare. The majority of vehicle leases are rolling 'monthly hire' arrangements for transport between Trust sites.

Where applicable, break clauses in the Trust's lease contracts have been taken into account in the calculation of future minimum lease payments.

**Note 6.2 Wrightington, Wigan and Leigh NHS Foundation Trust as a lessor**

|  | <b>2015/16</b>    | <b>2014/15</b>    |
|--|-------------------|-------------------|
|  | <b>£000</b>       | <b>£000</b>       |
| <b>Operating lease revenue</b>                       |                   |                   |
| Minimum lease receipts                               | 109               | 109               |
| <b>Total</b>   | <b><u>109</u></b> | <b><u>109</u></b> |
|  | <b>31 March</b>   | <b>31 March</b>   |
|  | <b>2016</b>       | <b>2015</b>       |
|  | <b>£000</b>       | <b>£000</b>       |
| <b>Future minimum lease receipts due:</b>            |                   |                   |
| - not later than one year;                           | 109               | 109               |
| - later than one year and not later than five years; | 217               | 326               |
| - later than five years.                             | 0                 | 0                 |
| <b>Total</b>   | <b><u>326</u></b> | <b><u>435</u></b> |

The Trust leases areas of its Cancer Care Unit to The Christie NHS Foundation Trust.

**Note 7 Finance income**

|                           | 2015/16<br>£000  | 2014/15<br>£000  |
|---------------------------|------------------|------------------|
| Interest on bank accounts | 53               | 74               |
| <b>Total</b>              | <u><u>53</u></u> | <u><u>74</u></u> |

**Note 8 Finance expenses**

|   | 2015/16<br>£000   | 2014/15<br>£000   |
|---|-------------------|-------------------|
| <b>Interest expense</b>                             |                   |                   |
| Loans from the Independent Trust Financing Facility | 0                 | 0                 |
| Loans from the Department of Health                 | 435               | 209               |
| <b>Total interest expense</b>                       | <u><u>435</u></u> | <u><u>209</u></u> |
| Other finance costs - unwinding of discount         | 22                | 54                |
| <b>Total</b>  | <u><u>457</u></u> | <u><u>263</u></u> |

Loans from the Independent Trust Financing Facility have been re-classified in year to Loans from the Department of Health.

## Note 9 Intangible assets

### Note 9.1 Intangible assets - 2015/16

|   | Software<br>licences<br>£000 | Internally<br>generated<br>information<br>technology<br>£000 | Intangible<br>assets under<br>construction<br>£000 | Total<br>£000 |
|---|------------------------------|--|--|---------------|
| <b>Valuation/gross cost at 1 April 2015</b> | <b>13,311</b>                | <b>982</b>   | <b>585</b>   | <b>14,878</b> |
| Additions                                   | 531                          | 0  | (43)   | 488           |
| Impairments                                 | (164)                        | 0  | 0  | (164)         |
| Reclassifications                           | (90)                         | 0  | 0  | (90)          |
| <b>Gross cost at 31 March 2016</b>          | <b>13,588</b>                | <b>982</b>   | <b>542</b>   | <b>15,112</b> |
| <b>Amortisation at 1 April 2015</b>         | <b>10,071</b>                | <b>732</b>   | <b>0</b>   | <b>10,803</b> |
| Provided during the year                    | 657                          | 53   | 0  | 710           |
| Impairments                                 | (7)                          | 0  | 0  | (7)           |
| <b>Amortisation at 31 March 2016</b>        | <b>10,721</b>                | <b>785</b>   | <b>0</b>   | <b>11,506</b> |
| <b>Net book value at 31 March 2016</b>      | <b>2,867</b>                 | <b>197</b>   | <b>542</b>   | <b>3,606</b>  |
| <b>Net book value at 1 April 2015</b>       | <b>3,240</b>                 | <b>250</b>   | <b>585</b>   | <b>4,075</b>  |

A number of items of intangible assets have been reclassified during the year to property plant and equipment (Note 10.1).

**Note 9.2 Intangible assets - 2014/15**

|  | <b>Software<br/>licences<br/>£000</b> | <b>Internally<br/>generated<br/>information<br/>technology<br/>£000</b> | <b>Intangible<br/>assets under<br/>construction<br/>£000</b> | <b>Total<br/>£000</b> |
|--|---------------------------------------|---|--|-----------------------|
| <b>Valuation/gross cost at 1 April 2014</b>  | <b>11,695</b>                         | <b>982</b>  | <b>3,932</b>   | <b>16,609</b>         |
| Additions                                    | 230                                   | 0   | 3  | <b>233</b>            |
| Impairments                                  | (8)                                   | 0   | 0  | <b>(8)</b>            |
| Reclassifications                            | 1,394                                 | 0   | (3,350)  | <b>(1,956)</b>        |
| <b>Valuation/gross cost at 31 March 2015</b> | <b>13,311</b>                         | <b>982</b>  | <b>585</b>   | <b>14,878</b>         |
| <b>Amortisation at 1 April 2014</b>          | <b>9,310</b>                          | <b>575</b>  | <b>0</b>   | <b>9,885</b>          |
| Provided during the year                     | 764                                   | 157   | 0  | <b>921</b>            |
| Impairments                                  | (3)                                   | 0   | 0  | <b>(3)</b>            |
| <b>Amortisation at 31 March 2015</b>         | <b>10,071</b>                         | <b>732</b>  | <b>0</b>   | <b>10,803</b>         |
| <b>Net book value at 31 March 2015</b>       | <b>3,240</b>                          | <b>250</b>  | <b>585</b>   | <b>4,075</b>          |
| <b>Net book value at 1 April 2014</b>        | <b>2,385</b>                          | <b>407</b>  | <b>3,932</b>   | <b>6,724</b>          |

**Note 9.3 Intangible assets financing 2015/16**

|  | Software<br>licences<br>£000 | Internally<br>generated<br>information<br>technology<br>£000 | Intangible<br>assets under<br>construction<br>£000 | Total<br>£000 |
|--|------------------------------|--|--|---------------|
| <b>Net book value at 31 March 2016</b> |                              |  |  |               |
| Purchased                              | 2,860                        | 197  | 542  | 3,599         |
| Finance leased                         | 0                            | 0  | 0  | 0             |
| Donated and government grant funded    | 7                            | 0  | 0  | 7             |
| <b>NBV total at 31 March 2016</b>      | <b>2,867</b>                 | <b>197</b>   | <b>542</b>   | <b>3,606</b>  |

**Note 9.4 Intangible assets financing 2014/15**

|                                     | Software<br>licences<br>£000 | Internally<br>generated<br>information<br>technology<br>£000 | Intangible<br>assets under<br>construction<br>£000 | Total<br>£000 |
|-------------------------------------|------------------------------|--|--|---------------|
| <b>Net book value 31 March 2015</b> |                              |  |  |               |
| Purchased                           | 3,232                        | 250  | 585  | 4,067         |
| Finance leased                      | 0                            | 0  | 0  | 0             |
| Donated and government grant funded | 8                            | 0  | 0  | 8             |
| <b>NBV total at 31 March 2015</b>   | <b>3,240</b>                 | <b>250</b>   | <b>585</b>   | <b>4,075</b>  |

**Economic life of intangible assets**

|                         |               |
|-------------------------|---------------|
| Development expenditure | up to 5 years |
| Software                | up to 5 years |

**Note 10 Property, plant and equipment****Note 10.1 Property, plant and equipment - 2015/16**

|  | Land          | Buildings<br>excluding<br>dwellings | Dwellings    | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total          |
|--|---------------|-------------------------------------|--------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|
|  | £000          | £000                                | £000         | £000                         | £000                 | £000                   | £000                      | £000                    | £000           |
| <b>Valuation/gross cost at 1 April 2015</b>      | <b>13,906</b> | <b>117,970</b>                      | <b>3,233</b> | <b>14,208</b>                | <b>49,184</b>        | <b>262</b>             | <b>14,746</b>             | <b>458</b>              | <b>213,967</b> |
| Additions  | 0             | 2,827                               | 0            | 10,373                       | 1,015                | 19                     | 472                       | 130                     | 14,836         |
| Impairments                                      | 0             | (12,513)                            | 0            | 0                            | (2,403)              | 0                      | (376)                     | 0                       | (15,292)       |
| Reversals of impairments                         | 0             | 1,574                               | 22           | 0                            | 0                    | 0                      | 0                         | 0                       | 1,596          |
| Reclassifications                                | 0             | 18,961                              | 0            | (19,191)                     | 58                   | 0                      | 227                       | 35                      | 90             |
| Revaluations                                     | 16            | 1,651                               | 19           | 0                            | 0                    | 0                      | 0                         | 0                       | 1,686          |
| Transfers to/from assets held for sale           | 0             | 0                                   | 0            | 0                            | 0                    | 0                      | 0                         | 0                       | 0              |
| Disposals/derecognition                          | 0             | 0                                   | 0            | 0                            | 0                    | 0                      | 0                         | 0                       | 0              |
| <b>Valuation/gross cost at 31 March 2016</b>     | <b>13,922</b> | <b>130,470</b>                      | <b>3,274</b> | <b>5,390</b>                 | <b>47,854</b>        | <b>281</b>             | <b>15,069</b>             | <b>623</b>              | <b>216,883</b> |
| <b>Accumulated depreciation at 1 April 2015</b>  | <b>0</b>      | <b>2,733</b>                        | <b>79</b>    | <b>0</b>                     | <b>32,586</b>        | <b>176</b>             | <b>10,440</b>             | <b>169</b>              | <b>46,183</b>  |
| Provided during the year                         | 0             | 2,585                               | 80           | 0                            | 1,625                | 10                     | 917                       | 36                      | 5,253          |
| Impairments                                      | 0             | (4,340)                             | (158)        | 0                            | (607)                | 0                      | (58)                      | 0                       | (5,163)        |
| Disposals/ derecognition                         | 0             | 0                                   | 0            | 0                            | 0                    | 0                      | 0                         | 0                       | 0              |
| <b>Accumulated depreciation at 31 March 2016</b> | <b>0</b>      | <b>978</b>                          | <b>1</b>     | <b>0</b>                     | <b>33,604</b>        | <b>186</b>             | <b>11,299</b>             | <b>205</b>              | <b>46,273</b>  |
| <b>Net book value at 31 March 2016</b>           | <b>13,922</b> | <b>129,492</b>                      | <b>3,273</b> | <b>5,390</b>                 | <b>14,250</b>        | <b>95</b>              | <b>3,770</b>              | <b>418</b>              | <b>170,610</b> |
| <b>Net book value at 1 April 2015</b>            | <b>13,906</b> | <b>115,237</b>                      | <b>3,154</b> | <b>14,208</b>                | <b>16,598</b>        | <b>86</b>              | <b>4,306</b>              | <b>289</b>              | <b>167,784</b> |

A number of items of intangible assets have been reclassified during the year to property, plant and equipment (Note 9.1).

During the year, construction work on the Wrightington Site finished and the asset was transferred from assets under construction to buildings excluding dwellings.

## Note 10.2 Property, plant and equipment - 2014/15

|  | Land<br>£000  | Buildings<br>excluding<br>dwellings<br>£000 | Dwellings<br>£000 | Assets under<br>construction<br>£000 | Plant &<br>machinery<br>£000 | Transport<br>equipment<br>£000 | Information<br>technology<br>£000 | Furniture &<br>fittings<br>£000 | Total<br>£000  |
|--|---------------|---|-------------------|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| <b>Valuation/gross cost at 1 April 2014</b>      | <b>15,604</b> | <b>110,230</b>                              | <b>3,436</b>      | <b>4,167</b>                         | <b>46,776</b>                | <b>211</b>                     | <b>13,001</b>                     | <b>342</b>                      | <b>193,767</b> |
| Additions - purchased/ leased/ grants/ donations | 0             | 4,966                                       | 12                | 17,209                               | 3,377                        | 30                             | 1,161                             | 34                              | 26,789         |
| Impairments                                      | (1,059)       | (11,248)                                    | (394)             | 0                                    | (250)                        | 0                              | (2,722)                           | 0                               | (15,673)       |
| Reversals of impairments                         | 0             | 955   | 0                 | 0                                    | 0                            | 0                              | 0                                 | 0                               | 955            |
| Reclassifications                                | 0             | 5,683                                       | 0                 | (7,168)                              | 22                           | 31                             | 3,306                             | 82                              | 1,956          |
| Revaluations                                     | 726           | 7,384                                       | 179               | 0                                    | 0                            | 0                              | 0                                 | 0                               | 8,289          |
| Transfers to/from assets held for sale           | (1,365)       | 0   | 0                 | 0                                    | 0                            | 0                              | 0                                 | 0                               | (1,365)        |
| Disposals / derecognition                        | 0             | 0   | 0                 | 0                                    | (741)                        | (10)                           | 0                                 | 0                               | (751)          |
| <b>Valuation/gross cost at 31 March 2015</b>     | <b>13,906</b> | <b>117,970</b>                              | <b>3,233</b>      | <b>14,208</b>                        | <b>49,184</b>                | <b>262</b>                     | <b>14,746</b>                     | <b>458</b>                      | <b>213,967</b> |
| <b>Accumulated depreciation at 1 April 2014</b>  | <b>0</b>      | <b>375</b>                                  | <b>0</b>          | <b>0</b>                             | <b>30,309</b>                | <b>166</b>                     | <b>9,041</b>                      | <b>144</b>                      | <b>40,035</b>  |
| Provided during the year                         | 0             | 2,358                                       | 79                | 0                                    | 3,041                        | 15                             | 1,496                             | 25                              | 7,014          |
| Impairments                                      | 0             | 0   | 0                 | 0                                    | (61)                         | 0                              | (97)                              | 0                               | (158)          |
| Reclassifications                                | 0             | 0   | 0                 | 0                                    | 0                            | 0                              | 0                                 | 0                               | 0              |
| Revaluations                                     | 0             | 0   | 0                 | 0                                    | 0                            | 0                              | 0                                 | 0                               | 0              |
| Disposals / derecognition                        | 0             | 0   | 0                 | 0                                    | (703)                        | (5)                            | 0                                 | 0                               | (708)          |
| <b>Accumulated depreciation at 31 March 2015</b> | <b>0</b>      | <b>2,733</b>                                | <b>79</b>         | <b>0</b>                             | <b>32,586</b>                | <b>176</b>                     | <b>10,440</b>                     | <b>169</b>                      | <b>46,183</b>  |
| <b>Net book value at 31 March 2015</b>           | <b>13,906</b> | <b>115,237</b>                              | <b>3,154</b>      | <b>14,208</b>                        | <b>16,598</b>                | <b>86</b>                      | <b>4,306</b>                      | <b>289</b>                      | <b>167,784</b> |
| <b>Net book value at 1 April 2014</b>            | <b>15,604</b> | <b>109,855</b>                              | <b>3,436</b>      | <b>4,167</b>                         | <b>16,467</b>                | <b>45</b>                      | <b>3,960</b>                      | <b>198</b>                      | <b>153,732</b> |

A number of items of intangible assets were reclassified during the year to property, plant and equipment (Note 9.1).

## Note 10.3 Property, plant and equipment financing - 2015/16

|                                   | Land<br>£000  | Buildings<br>excluding<br>dwellings<br>£000 | Dwellings<br>£000 | Assets under<br>construction<br>£000 | Plant &<br>machinery<br>£000 | Transport<br>equipment<br>£000 | Information<br>technology<br>£000 | Furniture &<br>fittings<br>£000 | Total<br>£000  |
|-----------------------------------|---------------|---|-------------------|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| Owned                             | 13,922        | 128,004                                     | 3,273             | 5,390                                | 13,589                       | 95                             | 3,647                             | 418                             | 168,338        |
| Donated                           | 0             | 1,488                                       | 0                 | 0                                    | 661                          | 0                              | 123                               | 0                               | 2,272          |
| <b>NBV total at 31 March 2016</b> | <b>13,922</b> | <b>129,492</b>                              | <b>3,273</b>      | <b>5,390</b>                         | <b>14,250</b>                | <b>95</b>                      | <b>3,770</b>                      | <b>418</b>                      | <b>170,610</b> |

## Note 10.4 Property, plant and equipment financing - 2014/15

|                                   | Land<br>£000  | Buildings<br>excluding<br>dwellings<br>£000 | Dwellings<br>£000 | Assets under<br>construction<br>£000 | Plant &<br>machinery<br>£000 | Transport<br>equipment<br>£000 | Information<br>technology<br>£000 | Furniture &<br>fittings<br>£000 | Total<br>£000  |
|-----------------------------------|---------------|---|-------------------|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| Owned                             | 13,906        | 113,844                                     | 3,154             | 14,208                               | 15,879                       | 86                             | 4,178                             | 289                             | 165,544        |
| Donated                           | 0             | 1,393                                       | 0                 | 0                                    | 719                          | 0                              | 128                               | 0                               | 2,240          |
| <b>NBV total at 31 March 2015</b> | <b>13,906</b> | <b>115,237</b>                              | <b>3,154</b>      | <b>14,208</b>                        | <b>16,598</b>                | <b>86</b>                      | <b>4,306</b>                      | <b>289</b>                      | <b>167,784</b> |

**Note 11 Revaluations of property, plant and equipment**

The value and remaining useful lives of land and building assets are estimated by Cushman and Wakefield (formerly known as Debenham Tie Leung Ltd). The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. Valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property.

The last full asset valuation was undertaken during 2014/15 with the revaluation date of 1 April 2014 and was applied on 1 April 2014. An interim desk top valuation was undertaken in March with a revaluation date of 31st March 2016 and was applied on 31st March 2016.

As a result of the interim valuation land and buildings have suffered an impairment loss i.e. a reduction in value, the overall total of which amounted to £4.9m. In addition some land and buildings have increased in value totalling £3.3m. The net effect of these changes in value amounts to an overall decrease in land and buildings of £1.6m. In addition buildings and dwellings which had previously seen reduction in value and which were subsequently impaired were revalued upwards resulting in a reversal of the previous impairment. This reversal of £1,596k has been credited to income.

In addition, during the year buildings previously held within assets under construction were brought into use and subsequently revalued. This revaluation resulted in an impairment loss i.e. a reduction in value, the overall total of which amounted to £2.8m.

Assets revalued have been written down to their recoverable amount within the Statement of Financial Position, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for that asset and, thereafter, to expenditure - impairment of property plant and equipment. Increases in value have been credited to the revaluation reserve unless circumstances arose whereby a reversal of an impairment was necessary. In these circumstances this has been credited to income - reversal of impairments property plant and equipment.

The lives of equipment assets are estimated on historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change. Operational equipment is carried at its cost less any accumulated depreciation and any impairment losses. Where assets are of low value and/or have short useful economic lives, these are carried at depreciated historical cost as a proxy for current value.

During the course of the year the Trust continued to review its asset base. As a result of this exercise a number of intangible and tangible assets were impaired (£2.6m) and asset lives excluding land, buildings and dwellings were reviewed resulting in an average increase of estimated useful economic life of 3 years.

**Note 12 Asset Lives**

The following table discloses the range of economic lives of various assets.

|                               | Minimum Life<br>Years | Maximum Life<br>Years |
|-------------------------------|-----------------------|-----------------------|
| Buildings excluding dwellings | 3                     | 89                    |
| Dwellings                     | 13                    | 50                    |
| Plant and machinery           | 0                     | 14                    |
| Vehicles                      | 0                     | 5                     |
| Information technology        | 0                     | 5                     |
| Furniture and fittings        | 0                     | 10                    |
| Soft furnishings              | 0                     | 7                     |
| Equipment                     | 0                     | 14                    |

**Note 13 Disclosure of interests in other entities**

The Trust has determined that, in addition to its subsidiary charity, it has interests in three joint operations. Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to assets, and obligations for liabilities relating to the arrangement. The Trust therefore includes within its financial statements its share of the assets, liabilities, income and expenses relating to its joint operations.

The Trust does not attribute levels of risk significantly above 'business as usual' with these arrangements, as the operators are all partner NHS bodies, working together within the same healthcare operating environment. In practical terms, this translates to longstanding related party relationships based in contracts and transactions, collaborative working, shared objectives and common policies.

The Trust's joint operations are detailed below.

**Pathology at Wigan & Salford (PAWS)**

The Trust works collaboratively with Salford Royal NHS Foundation Trust to provide pathology services to both trusts. The intention of the arrangement is to reduce running costs through centralisation and provide resilience in each trust's pathology services. The majority of activity is carried out at a Salford site, with an essential services laboratory remaining at the Trust's Wigan site.

The Trust retains the rights to assets contributed at the start of the arrangement, and new equipment is split between both trusts when purchased. As the 'host' partner, Salford Royal NHS Foundation Trust retains the obligation to pay the majority of suppliers' invoices, recharging Wrightington, Wigan and Leigh NHS Foundation Trust for its share of PAWS-related expenditure (£7.2m in year and £7.8m, 2014/15). The Trust also receives a share of PAWS income, primarily from the provision of pathology tests (£4.0m in year and £4.0m, 2014/15).

### Sterile Services Decontamination Unit (SSDU)

In this joint working arrangement with Salford Royal NHS Foundation Trust, both trusts receive sterile services, which chiefly involves the decontamination of surgical instruments. The arrangement is similar to PAWS in that the trusts intend to reduce running costs through centralisation, provide resilience in each organisation's sterile services, and create income through selling services to other providers in the local health economy. The majority of activity is carried out at a site in Bolton with a small service retained at the Trust's Leigh site.

The Trust retains the rights to assets contributed to the arrangement. As the 'host' partner, Wrightington, Wigan and Leigh NHS Foundation Trust retains the obligation to pay the majority of suppliers' invoices, recharging Salford Royal NHS Foundation Trust, for its share of SSDU-related expenditure. The Trust's share of expenditure in 2015/16 totals £2.1m (£2.2m, 14/15).

### Well Being Partners

This arrangement was created in 2014/15 and is jointly operated by Wrightington, Wigan and Leigh NHS Foundation Trust (the 'host' operator), Lancashire Teaching Hospitals NHS Foundation Trust and Bolton NHS Foundation Trust. The collaboration was designed to provide resilience to each of the three operators' occupational health services and to create income through selling services to other bodies. The activity is carried out at all three trusts' sites with additional outreach clinics. The Trust's share of income in 2015/16 totals £0.3m and expenditure £0.7m.

| <b>Note 14 Inventories</b> | <b>31 March<br/>2016</b> | <b>31 March<br/>2015</b> |
|----------------------------|--------------------------|--------------------------|
|                            | <b>£000</b>              | <b>£000</b>              |
| Drugs                      | 1,187                    | 940                      |
| Consumables                | 2,505                    | 2,624                    |
| Energy                     | 58                       | 72                       |
| Other                      | 137                      | 153                      |
| <b>Total inventories</b>   | <b><u>3,887</u></b>      | <b><u>3,789</u></b>      |

Inventories recognised in expenses for the year were £30,214k (£34,615k, 2014/15). Write-down of inventories recognised as expenses for the year were £0 (£31k, 2014/15).

**Note 15 Trade and other receivables**

|  | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|--|-----------------------------------|-----------------------------------|
| <b>Current</b>                                       |                                   |                                   |
| Trade receivables due from NHS bodies                | 5,446                             | 4,352                             |
| Receivables due from NHS charities                   | 33                                | 31                                |
| Other receivables due from related parties           | 177                               | 381                               |
| Capital receivables                                  | 0                                 | 36                                |
| Provision for impaired receivables                   | (642)                             | (444)                             |
| Deposits and advances                                | 0                                 | 44                                |
| Prepayments (non-PFI)                                | 2,106                             | 1,913                             |
| Accrued income                                       | 605                               | 56                                |
| Interest receivable                                  | 5                                 | 7                                 |
| PDC dividend receivable                              | 64                                | 150                               |
| VAT receivable                                       | 337                               | 635                               |
| Other receivables                                    | 3,992                             | 3,695                             |
| <b>Total current trade and other receivables</b>     | <b><u>12,123</u></b>              | <b><u>10,856</u></b>              |
| <b>Non-current</b>                                   |                                   |                                   |
| Provision for impaired receivables                   | (44)                              | (61)                              |
| Prepayments (non-PFI)                                | 0                                 | 61                                |
| Other receivables                                    | 469                               | 401                               |
| <b>Total non-current trade and other receivables</b> | <b><u>425</u></b>                 | <b><u>401</u></b>                 |

The carrying amounts of trade and other receivables approximates to the fair value.

| <b>Note 15.1 Provision for impairment of receivables</b> | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|--|-----------------------------------|-----------------------------------|
| <b>At 1 April</b>  | <b>505</b>                        | <b>374</b>                        |
| Increase in provision                                    | 247                               | 907                               |
| Amounts utilised   | (66)                              | (427)                             |
| Unused amounts reversed                                  | 0                                 | (349)                             |
| <b>At 31 March</b>                                       | <b><u>686</u></b>                 | <b><u>505</u></b>                 |

**Note 15.2 Analysis of impaired receivables**

| <b>Ageing of impaired receivables</b> | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|---------------------------------------|-----------------------------------|-----------------------------------|
| 0-30 days                             | 7                                 | 1                                 |
| 30-60 days                            | 12                                | 0                                 |
| 60-90 days                            | 7                                 | 1                                 |
| 90-180 days                           | 60                                | 2                                 |
| Over 180 days                         | 193                               | 174                               |
| <b>Total</b>                          | <b><u>279</u></b>                 | <b><u>178</u></b>                 |

The above table does not include a provision of £407k (2014/15, £328k) against the NHS Injury Compensation Recovery Scheme, since this is not deemed to be a financial instrument.

| <b>Ageing of non-impaired receivables past their due date</b> | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|---|-----------------------------------|-----------------------------------|
| 0-30 days   | 5,370                             | 3,323                             |
| 30-60 days  | 517                               | 836                               |
| 60-90 days  | 343                               | 421                               |
| 90-180 days   | 547                               | 1,112                             |
| Over 180 days   | 1,477                             | 94                                |
| <b>Total</b>  | <b><u>8,254</u></b>               | <b><u>5,786</u></b>               |

The above table does not include non instrument debtors including the amounts pertaining to the NHS Injury Compensation Recovery Scheme debtor.

**Note 16 Non-current assets for sale**

As at 31 March 2016 the Trust had two non-current assets held for sale valued at £3.0m in respect of land on the Billinge site (£1.6m), and land on the Whelley site (£1.4m). Both land sales, previously anticipated to take place during the course of the year have been delayed and are expected to be sold during 2016. During the course of the year land and buildings totalling £99k were sold at a loss of £8k.

**Note 17 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

|  | <b>2015/16</b>       | <b>2014/15</b>       |
|--|----------------------|----------------------|
|  | <b>£000</b>          | <b>£000</b>          |
| <b>At 1 April</b>                        | <b>14,615</b>        | <b>20,251</b>        |
| Net change in year                       | <b>(4,347)</b>       | <b>(5,636)</b>       |
| <b>At 31 March</b>                       | <b><u>10,268</u></b> | <b><u>14,615</u></b> |
| <b>Broken down into</b>                  |                      |                      |
| Cash at commercial banks and in hand     | 10                   | 8                    |
| Cash with the Government Banking Service | 10,258               | 14,607               |
| <b>Total cash and cash equivalents</b>   | <b><u>10,268</u></b> | <b><u>14,615</u></b> |

**Note 17.1 Third party assets held by the NHS foundation trust**

Wrightington, Wigan and Leigh NHS Foundation Trust held cash and cash equivalents which relate to monies held by the the foundation trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

|                                 | <b>31 March</b> | <b>31 March</b>  |
|---------------------------------|-----------------|------------------|
|                                 | <b>2016</b>     | <b>2015</b>      |
|                                 | <b>£000</b>     | <b>£000</b>      |
| Bank balances                   | 6               | 20               |
| <b>Total third party assets</b> | <b><u>6</u></b> | <b><u>20</u></b> |

**Note 18 Trade and other payables**

|   | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|---|-----------------------------------|-----------------------------------|
| <b>Current</b>                                |                                   |                                   |
| Receipts in advance                           | 0                                 | 188                               |
| NHS trade payables                            | 99                                | (7)                               |
| Amounts due to other related parties          | 74                                | 51                                |
| Other trade payables                          | 2,371                             | 160                               |
| Capital payables                              | 2,685                             | 3,443                             |
| Social security costs                         | 1,722                             | 1,531                             |
| Other taxes payable                           | 1,492                             | 1,474                             |
| Other payables                                | 2,521                             | 2,136                             |
| Accruals                                      | 16,311                            | 11,797                            |
| <b>Total current trade and other payables</b> | <b><u>27,275</u></b>              | <b><u>20,773</u></b>              |

|  | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|--|-----------------------------------|-----------------------------------|
| <b>Note 19 Other liabilities</b>       |                                   |                                   |
| <b>Current</b>                         |                                   |                                   |
| Deferred goods and services income     | 2,181                             | 563                               |
| Other deferred income                  | 150                               | 150                               |
| <b>Total other current liabilities</b> | <b><u>2,331</u></b>               | <b><u>713</u></b>                 |

|  |                   |                   |
|--|-------------------|-------------------|
| <b>Non-current</b>                         |                   |                   |
| Other deferred income                      | 300               | 450               |
| <b>Total other non-current liabilities</b> | <b><u>300</u></b> | <b><u>450</u></b> |

|                                     | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Note 20 Borrowings</b>           |                                   |                                   |
| <b>Current</b>                      |                                   |                                   |
| Loans from the Department of Health | 1,884                             | 0                                 |
| Other loans                         | 357                               | 132                               |
| <b>Total current borrowings</b>     | <b><u>2,241</u></b>               | <b><u>132</u></b>                 |
| <b>Non-current</b>                  |                                   |                                   |
| Loans from the Department of Health | 28,116                            | 25,000                            |
| Other loans                         | 836                               | 344                               |
| <b>Total non-current borrowings</b> | <b><u>28,952</u></b>              | <b><u>25,344</u></b>              |

The Trust has secured and drawn down two public sector energy efficiency loans totalling £1.2m with Salix Finance Limited. These loans are interest-free and are earmarked to finance an energy-saving boiler scheme. Repayments are phased to match the projected savings from the boiler scheme. Details of the loans from the Department of Health are detailed in Note 24.

**Note 21 Provisions**

|  | <b>Other legal<br/>claims<br/>£000</b> | <b>Other<br/>£000</b> | <b>Total<br/>£000</b> |
|--|--|-----------------------|-----------------------|
| <b>At 1 April 2015</b>                               | <b>1,965</b>                           | <b>5,080</b>          | <b>7,045</b>          |
| Change in the discount rate                          | 0                                      | 54                    | <b>54</b>             |
| Arising during the year                              | 235                                    | 520                   | <b>755</b>            |
| Utilised during the year                             | (234)                                  | (497)                 | <b>(731)</b>          |
| Reversed unused                                      | (134)                                  | (3,164)               | <b>(3,298)</b>        |
| Unwinding of discount                                | 22                                     | 0                     | <b>22</b>             |
| <b>At 31 March 2016</b>                              | <b>1,854</b>                           | <b>1,993</b>          | <b>3,847</b>          |
| <b>Expected timing of cash flows:</b>                |  |                       |                       |
| - not later than one year;                           | 327                                    | 700                   | <b>1,027</b>          |
| - later than one year and not later than five years; | 377                                    | 336                   | <b>713</b>            |
| - later than five years.                             | 1,150                                  | 957                   | <b>2,107</b>          |
| <b>Total</b>   | <b>1,854</b>                           | <b>1,993</b>          | <b>3,847</b>          |

Legal provisions of £1.9m are made up of employer's and public liability claims £0.2m (£0.3m, 2014/15) for which there is also a corresponding contingent liability of £0.1m declared in Note 22, and £1.7m for the cost of permanent injury retirements (£1.7m, 2014/15).

The amount provided for employer's / public liability claims are based on actuarial assessments received from the National Health Service Litigation Authority (NHSLA) as to their value and anticipated payment date.

Other provisions include costs associated with a Treasury approved Mutually Agreed Severance Scheme £0.5m (£0.6m, 2014/15), and £0.9m (£1.1m, 2014/15) in respect of pathology service staffing changes jointly agreed with Salford Royal NHS Foundation Trust.

**Note 21.1 Clinical negligence liabilities**

At 31 March 2016, £120,942k was included in provisions of the NHSLA in respect of clinical negligence liabilities of Wrightington, Wigan and Leigh NHS Foundation Trust (£65,464k, 31 March 2015).

**Note 22 Contingent assets and liabilities**

|  | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|--|-----------------------------------|-----------------------------------|
| <b>Value of contingent liabilities</b>       |                                   |                                   |
| NHS Litigation Authority legal claims        | (97)                              | (144)                             |
| <b>Gross value of contingent liabilities</b> | <u>(97)</u>                       | <u>(144)</u>                      |
| Amounts recoverable against liabilities      | 0                                 | 0                                 |
| <b>Net value of contingent liabilities</b>   | <u>(97)</u>                       | <u>(144)</u>                      |

Contingent liabilities relate to employers and public liability claims.

During January 2016 the Trust submitted an insurance claim to the NHS Litigation Authority in respect of items damaged by a flood on the Wrightington site. The total value of this claim amounted to £1m.

**Note 23 Contractual capital commitments**

|                               | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|-------------------------------|-----------------------------------|-----------------------------------|
| Property, plant and equipment | 3,700                             | 11,255                            |
| <b>Total</b>                  | <u>3,700</u>                      | <u>11,255</u>                     |

Contractual capital commitments mainly relate to committed expenditure in respect of the Trust's Health Information System.

## Note 24 Financial instruments

### Note 24.1 Financial risk management

#### Liquidity risk

The Trust's net operating costs are incurred under annual service level agreements/contracts with Clinical Commissioning Groups (CCGs) which are financed from resources voted annually by Parliament. The Trust receives such income in accordance with Payment by Results (PBR), which is intended to match the income received in year to the activity delivered in that year by reference to the National Tariff procedure cost. Monthly payments are received from CCGs based on an annual service level agreement; this arrangement reduces liquidity risk.

The Trust actively mitigates liquidity risk by daily cash management procedures and by keeping all cash balances in an appropriately liquid form. Liquidity is monitored by the Board on a monthly basis through the calculation of the Financial Sustainability Risk Rating (FSRR) as required by Monitor, and by the review of cash flow forecasts for the year. The Trust achieved a liquidity rating of 1 for the financial year.

The Trust has two loans financed by the Independent Trust Financing Facility. A total facility of £30m, comprising a 7 year loan for £13.5m at 0.66% fixed interest rate and a 25 year loan for £16.5m at 2.24% fixed interest rate has been approved of which £25m has been drawn down to date. Repayments on the loans are due to commence in 2016, and are paid over the period of the loans; there is therefore no risk that a number of significant borrowings could become repayable at one time, and cause unplanned cash pressures.

The Trust has secured and drawn down two public sector energy efficiency loans totalling £1.2m with Salix Finance Limited. These loans are interest-free and have been invested in energy -efficiency saving schemes. The savings from these schemes are matched to loan repayments and there is therefore no risk that these borrowings will cause unplanned cash pressures.

The loan repayment schedule is contained within the maturity of financial liabilities table on page 286.

#### Interest rate risk

All of the Trust's financial assets and financial liabilities carry nil or fixed rates of interest other than the Trust's bank accounts which earn interest at a floating rate. The Trust is not exposed to significant interest rate risk.

#### Credit risk

The main source of income for the Trust is from CCGs in respect of healthcare services provided under agreements. The credit risk associated with such customers is very low.

Cash required for day to day operational purposes is held within the Trust's Government Banking Services (GBS) account. This service has minimal credit risk as balances are regularly swept into and held by the Bank of England.

The Trust regularly reviews debtor balances, and has a comprehensive system in place for pursuing past due debt. Non-NHS customers represent a small proportion of income, and the Trust is not exposed to significant credit risk in this regard.

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the Statement of Financial Position date was £8m (£6.9m 2014/15), being the total of the carrying amount of financial assets excluding cash.

There are no amounts held as collateral against these balances.

An analysis of aged and impaired receivables is disclosed in Note 15.2

The movement in the provision for impaired receivables during the year is disclosed in Note 15.1. Of those assets which require a provision for their impairment, £279k (£178k, 2014/15) are impaired financial assets.

There are no (£31k, 2014/15) financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

### Currency risk

The Trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations and therefore has low exposure to currency rate fluctuations.

#### Note 24.2 Financial assets

|  | Loans and<br>receivables<br>£000 | Total<br>£000        |
|--|----------------------------------|----------------------|
| <b>Assets as per SoFP as at 31 March 2016</b>              |                                  |                      |
| Trade and other receivables excluding non financial assets | 8,078                            | <b>8,078</b>         |
| Cash and cash equivalents at bank and in hand              | 10,268                           | <b>10,268</b>        |
| <b>Total at 31 March 2016</b>                              | <b><u>18,346</u></b>             | <b><u>18,346</u></b> |
|  | Loans and<br>receivables<br>£000 | Total<br>£000        |
| <b>Assets as per SoFP as at 31 March 2015</b>              |                                  |                      |
| Trade and other receivables excluding non financial assets | 6,879                            | <b>6,879</b>         |
| Cash and cash equivalents at bank and in hand              | 14,615                           | <b>14,615</b>        |
| <b>Total at 31 March 2015</b>                              | <b><u>21,494</u></b>             | <b><u>21,494</u></b> |

| <b>Note 24.3 Financial liabilities</b>                       | <b>Other<br/>financial<br/>liabilities<br/>£000</b> | <b>Total<br/>£000</b> |
|--|---|-----------------------|
| <b>Liabilities as per SoFP as at 31 March 2016</b>           |   |                       |
| Borrowings excluding finance lease and PFI liabilities       | 31,193  | 31,193                |
| Trade and other payables excluding non financial liabilities | 21,756  | 21,756                |
| Provisions under contract                                    | 1,994   | 1,994                 |
| <b>Total at 31 March 2016</b>                                | <b><u>54,943</u></b>                                | <b><u>54,943</u></b>  |

| <b>Liabilities as per SoFP as at 31 March 2015</b>           | <b>Other<br/>financial<br/>liabilities<br/>£000</b> | <b>Total<br/>£000</b> |
|--|---|-----------------------|
| Borrowings excluding finance lease and PFI liabilities       | 25,476  | 25,476                |
| Trade and other payables excluding non financial liabilities | 15,350  | 15,350                |
| Provisions under contract                                    | 2,451   | 2,451                 |
| <b>Total at 31 March 2015</b>                                | <b><u>43,277</u></b>                                | <b><u>43,277</u></b>  |

**Note 24.4 Maturity of financial liabilities**

|   | <b>31 March<br/>2016<br/>£000</b> | <b>31 March<br/>2015<br/>£000</b> |
|---|-----------------------------------|-----------------------------------|
| In one year or less                                 | 25,219                            | 17,012                            |
| In more than one year but not more than two years   | 2,465                             | 2,024                             |
| In more than two years but not more than five years | 11,996                            | 11,118                            |
| In more than five years                             | 15,263                            | 13,123                            |
| <b>Total</b>  | <b><u>54,943</u></b>              | <b><u>43,277</u></b>              |

**Fair value of financial instruments**

The Trust has two loans with the Department of Health. The carrying value of this borrowings liability is considered to approximate to fair value, the interest rate not being significantly different from market rate. All other financial assets and liabilities have carrying values which are not significantly different from their fair values.

**Note 25 Losses and special payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise.

The Trust incurred the following losses and special payments during the financial year.

|  | 2015/16                               |                                 | 2014/15                               |                                 |
|--|---------------------------------------|---------------------------------|---------------------------------------|---------------------------------|
|  | Total<br>number of<br>cases<br>Number | Total value<br>of cases<br>£000 | Total<br>number of<br>cases<br>Number | Total value<br>of cases<br>£000 |
| <b>Losses</b>                            |                                       |                                 |                                       |                                 |
| Cash losses                              | 2                                     | 0                               | 13                                    | 0                               |
| Bad debts and claims abandoned           | 53                                    | 1                               | 153                                   | 28                              |
| Stores losses and damage to property     | 11                                    | 1,112                           | 2                                     | 29                              |
| <b>Total losses</b>                      | <b>66</b>                             | <b>1,113</b>                    | <b>168</b>                            | <b>57</b>                       |
| <b>Special payments</b>                  |                                       |                                 |                                       |                                 |
| Ex-gratia payments                       | 29                                    | 123                             | 41                                    | 105                             |
| <b>Total special payments</b>            | <b>29</b>                             | <b>123</b>                      | <b>41</b>                             | <b>105</b>                      |
| <b>Total losses and special payments</b> | <b>95</b>                             | <b>1,236</b>                    | <b>209</b>                            | <b>162</b>                      |
| Compensation payments received           |                                       | 4                               |                                       | 0                               |

During the year the Trust incurred stock losses and damage to property as a result of a flood on its Wrightington Site. The value of loss reported in the above table in respect of this loss totals £1.0m.

**Note 26 Related party transactions**

Wrightington, Wigan and Leigh NHS Foundation Trust is a public benefit corporation established under the NHS Act 2006. Monitor, the Regulator of NHS Foundation Trusts, does not prepare group accounts; instead, Monitor prepares NHS Foundation Trust Consolidated Accounts, for further consolidation into the Whole of Government Accounts. Monitor has powers to control NHS Foundation Trusts, but its results are not incorporated within the consolidated accounts, and it cannot be considered to be the parent undertaking for Foundation Trusts. Although there are a number of consolidation steps between the Trust's accounts and Whole of Government Accounts, the Trust's ultimate parent is HM Government.

**Whole of Government Accounts bodies**

All bodies within the scope of the Whole of Government Accounts (WGA) are considered to be related parties as they fall under the common control of HM Government and Parliament. The Trust's related parties therefore include other trusts, foundation trusts, clinical commissioning groups, local authorities, central government departments, executive agencies, non departmental public bodies (NDPBs), trading funds and public corporations.

During the year, the Trust has had a number of transactions with WGA bodies. When the total transactions with a given counterparty are collectively significant, they are listed below.

During the year none of the Board members or members of the key management staff have undertaken any material transactions with Wrightington, Wigan and Leigh NHS Foundation Trust.

**Related party relationships primarily based on income from the counterparty (healthcare services)**

| Related party                | 2015/16     |          | 2014/15     |          |
|------------------------------|-------------|----------|-------------|----------|
|                              | Receivables | Payables | Receivables | Payables |
|                              | £000        | £000     | £000        | £000     |
| NHS East Lancashire CCG      | 277         | 0        | 143         | 0        |
| NHS Oldham CCG               | 93          | 0        | 109         | 0        |
| NHS Southport and Formby CCG | 106         | 0        | 78          | 0        |
| NHS St Helens CCG            | 94          | 0        | 145         | 0        |
| NHS Wigan Borough CCG        | 1,399       | 0        | 1,215       | 0        |

| Related party                           | 2015/16 |             | 2014/15 |             |
|---|---------|-------------|---------|-------------|
|   | Income  | Expenditure | Income  | Expenditure |
|   | £000    | £000        | £000    | £000        |
| Health Education England                | 6,908   | 5           | 6,627   | 0           |
| NHS Blackpool CCG                       | 1,118   | 0           | 1,128   | 0           |
| NHS Bolton CCG                          | 5,704   | 0           | 5,405   | 0           |
| NHS Bury CCG                            | 1,113   | 0           | 1,377   | 0           |
| NHS Chorley and South Ribble CCG        | 4,782   | 0           | 4,917   | 0           |
| NHS Cumbria CCG                         | 4,229   | 0           | 3,856   | 0           |
| NHS East Lancashire CCG                 | 1,872   | 0           | 1,624   | 0           |
| NHS England                             | 15,457  | 0           | 14,884  | 47          |
| NHS Fylde & Wyre CCG                    | 1,323   | 0           | 1,588   | 0           |
| NHS Greater Preston CCG                 | 1,134   | 0           | 1,173   | 0           |
| NHS Heywood, Middleton and Rochdale CCG | 1,115   | 0           | 1,172   | 0           |
| NHS Salford CCG                         | 1,848   | 0           | 1,583   | 0           |
| NHS Southport and Formby CCG            | 1,274   | 0           | 1,182   | 0           |
| NHS St Helens CCG                       | 5,672   | 0           | 5,472   | 0           |
| NHS Tameside and Glossop CCG            | 1,335   | 0           | 1,209   | 0           |
| NHS Warrington CCG                      | 1,547   | 0           | 1,511   | 0           |
| NHS West Lancashire CCG                 | 8,175   | 0           | 7,954   | 0           |
| NHS Wigan Borough CCG                   | 175,414 | 0           | 176,935 | 15          |

**Other related party relationships primarily based on income from the counterparty (non healthcare services)**

| Related party   | 2015/16             |                  | 2014/15             |                  |
|---|---------------------|------------------|---------------------|------------------|
|   | Receivables<br>£000 | Payables<br>£000 | Receivables<br>£000 | Payables<br>£000 |
| Bolton NHS Foundation Trust                                     | 260                 | 80               | 167                 | 60               |
| Central Manchester University Hospitals NHS<br>Foundation Trust | 384                 | 71               | 207                 | 125              |
| Salford Royal NHS Foundation Trust                              | 404                 | 643              | 596                 | 657              |
| The Christie NHS Foundation Trust                               | 231                 | 526              | 5                   | 663              |

|   | 2015/16        |                     | 2014/15        |                     |
|---|----------------|---------------------|----------------|---------------------|
|   | Income<br>£000 | Expenditure<br>£000 | Income<br>£000 | Expenditure<br>£000 |
| 5 Boroughs Partnership NHS Foundation Trust           | 1,414          | 367                 | 1,199          | 302                 |
| Foundation Trust                                      | 808            | 152                 | 645            | 260                 |
| Lancashire Teaching Hospitals NHS Foundation<br>Trust | 654            | 552                 | 99             | 47                  |
| Salford Royal NHS Foundation Trust                    | 3,780          | 608                 | 663            | 724                 |
| The Christie NHS Foundation Trust                     | 2,830          | 419                 | 2,975          | 417                 |

These relationships are based on the supply of non-healthcare services and ancillary to other bodies, such as staffing, commercial trials, premises leasing, research and development, education and catering services.

**Related party relationships primarily based on expenditure with the counterparty**

|                            | 2015/16             |                  | 2014/15             |                  |
|----------------------------|---------------------|------------------|---------------------|------------------|
|                            | Receivables<br>£000 | Payables<br>£000 | Receivables<br>£000 | Payables<br>£000 |
| HM Revenue & Customs       | 337                 | 3,214            | 635                 | 3,005            |
| NHS Pension Scheme         | 0                   | 2,160            | 1                   | 2,093            |
| Wigan Metropolitan Borough | 108                 | 74               | 175                 | 14               |
| NHS Blood and Transplant   | 7                   | 23               | 15                  | 64               |
| NHS Professionals          | 0                   | 0                | 0                   | 195              |
| NHS Litigation Authority   | 1                   | 162              | 12                  | 0                |

|                            | 2015/16        |                     | 2014/15        |                     |
|----------------------------|----------------|---------------------|----------------|---------------------|
|                            | Income<br>£000 | Expenditure<br>£000 | Income<br>£000 | Expenditure<br>£000 |
| HM Revenue & Customs       | 337            | 10,646              | 0              | 10,398              |
| NHS Pension Scheme         | 0              | 15,776              | 0              | 15,177              |
| Wigan Metropolitan Borough | 376            | 0                   | 742            | 999                 |

In addition to the above, the Trust made PDC dividend payments to the Department of Health totalling £4.0m (£4.4m, 2014/15), received PDC of £0.7m (£0.6m, 2014/15) and is reporting a year-end debtor totalling £0.06m (£0.2m, 2014/15) for PDC dividend receivable.

In addition to WGA bodies, the Trust has a related party relationship with NHS Shared Business Services (SBS). The Trust has recorded expenditure with SBS of £453k.

No related party debts have been written off by the Trust in 2015/16, although the Trust has included a balance of £2k within its provision for impairment of receivables relating to aged debts with Wigan Metropolitan Borough Council and Chorley Borough Council.

#### **Future commitments with related parties**

A number of commissioning organisations are expected to pay the Trust for the provision of healthcare in the next financial year. Estimates of the contract values with these commissioning organisations for 2016/17 are listed below.

| <b>Related party</b>             | <b>£000</b> |
|----------------------------------|-------------|
| NHS Bolton CCG                   | 5,745       |
| NHS Chorley and South Ribble CCG | 4,762       |
| NHS Cumbria CCG                  | 4,289       |
| NHS England                      | 8,125       |
| NHS St Helens CCG                | 5,744       |
| NHS West Lancashire CCG          | 8,330       |
| NHS Wigan Borough CCG            | 167,621     |

#### **Charitable related parties**

Wrightington, Wigan and Leigh Health Services Charity (charitable fund with registered charity number 1048659) is a subsidiary of the Trust and therefore a related party. The Trust is the Charity's Corporate Trustee which means that the Trust's Board of Directors is charged with the governance of the Charity. The Charity's sole activity is the funding of charitable capital and revenue items for the benefit of our patients and staff.

The Charity's reserves balance as at 31 March 2016 was £1,545k (£1,785k 2014/15) with net outgoing resources before transfers of £5k (£100k 2014/15).

During the year the Charity incurred expenditure of £534k (£576k 2014/15) in respect of goods and services for which the Trust was the beneficiary.

### Other related parties

Aside from the Trust's Charity, the Trust has no subsidiaries or associates. The Trust has interests in 3 joint operations with related parties as disclosed in Note 13.

### Key management personnel

During the financial year under review, no member of either the Board or senior management team, and no other party closely related to these individuals, has undertaken any material transactions with Wrightington, Wigan and Leigh NHS Foundation Trust.

One Non Executive Director has a family member working for Wigan Metropolitan Borough Council (Wigan MBC) and Bridgewater Community Health Services NHS Foundation Trust. The Trust has entered into a number of transactions with both Wigan MBC (net expenditure £569k) and Bridgewater Community Health Services NHS Foundation Trust (net income £418k) and these are all considered to be "at arms length".

One Non-Executive Director is a Director of North West Procurement Development which is hosted by Central Manchester University Hospitals NHS Foundation Trust. No material transactions were incurred by the Trust during the year in respect of the North West Procurement Development.

Key management personnel are identified as Executive Directors and Non-Executive Directors of the Trust. Details of their remuneration and other benefits can be found in Note 5.6 and the remuneration section of the Annual Report.

### 27 Reconciliation of deficit to trading position

|                                     | <b>2015/16</b>        | <b>2014/15</b>      |
|-------------------------------------|-----------------------|---------------------|
|                                     | <b>£000</b>           | <b>£000</b>         |
| Deficit for the year                | (11,829)              | (9,325)             |
| Net impairments arising in the year | 6,927                 | 8,507               |
| Trading (deficit)/surplus           | <u><u>(4,902)</u></u> | <u><u>(818)</u></u> |

Impairments included within operating income and expenditure relate to changes in asset values. These costs are technical in nature and are excluded from the trading position.

**Design and Photography:**  
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