Wirral University Teaching Hospital
NHS Foundation Trust

2021 / 2022

Annual Report and Accounts

Wirral University Teaching Hospital NHS Foundation Trust
Annual Report and Accounts 2021/22

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

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Performance Report

Introduction

Message from the Chairman and Chief Executive

As we enter the 40th year of Arrowe Park Hospital and reflect on significant developments at all three of our hospitals in Wirral University Teaching Hospital NHS Foundation Trust, we are proud to introduce our annual report with the sincere thanks again to our staff, patients and families, volunteers, our partners in the Wirral healthcare system and the communities of Wirral who have supported our hospitals, as this unprecedented COVID-19 pandemic has continued to dominate our lives in 2021/2022.

The Care Quality Commission (CQC) returned to Arrowe Park Hospital in February 2021, at the height of winter pressures and the biggest wave of COVID-19 cases, to do an unannounced inspection, focussed on infection prevention and control (IPC).

The inspectors found 'outstanding practice' regarding infection, prevention and control and praised the Trust's 'Keep it Simple' initiative, which was a strong clinically led IPC campaign, as an example of 'outstanding practice'. The campaign went on to be 'highly commended' in September 2021 for excellence in communications and engagement in the Forward Healthcare national awards run by Leading Healthcare.

Inspectors found that leaders understood and managed the priorities, as well as issues staff faced. They found leaders were visible and approachable for staff and patients. The CQC report highlighted that the Trust had a clear vision for continuously improving IPC measures with an annual plan that was aligned with the wider healthcare system. It was found that staff felt respected, supported and valued. The Trust was highlighted as having a good open culture to raise concerns with a variety of ways to do so, focusing on the needs of the patients.

The CQC inspectors returned on 19 and 20 October 2021, concentrating on medical care and urgent and emergency care services at Arrowe Park Hospital. They found that regarding medical care, there was also some 'outstanding' practice. Medical care as a service had improved overall and it was rated as 'good' in four of the five domains that CQC inspect.

The CQC report highlighted in their report published in January 2022 that staff treated patients with compassion and kindness, respected their privacy and dignity and took account of their individual needs. Urgent and emergency care services were also inspected and remained at the same rating as they were previously, which is 'requires improvement'. Inspectors highlighted the need to improve design, maintenance and use of facilities.

The Trust recently unveiled plans for a new £28 million urgent and emergency care facility to be built at Arrowe Park. This is the largest single investment in the site's 40-year history since the hospital was built. The scheme will transform urgent care in Wirral and will include a complete redevelopment of the current emergency department at Arrowe Park Hospital and the urgent treatment centre, based next door, run by Wirral Community Health and Care Trust (WCHC).

The 2021/22 visits and inspection reports on specific services and themes by the CQC do not affect the overall Trust rating yet but show an encouraging trajectory of improvement and very good feedback for the care, compassion and professionalism of our leaders and staff.

In elective procedures and diagnostics, the Trust made significant progress with new investments in a cardiac catheter laboratory for heart patients, following a £1.2 million refurbishment. Around 1,000 procedures, such as implantation of pacemakers, are carried out in the cardiac catheter lab each year. The lab is part of WUTH's cardiology department, which cares for around 2,500 Wirral residents who have been fitted with pacemakers.

We also enhanced diagnostic capabilities at our Clatterbridge site. Since August 2021, over 10,000 patients are benefiting from earlier access to diagnostic testing thanks to national investment in a new community diagnostic centre (CDC). This CDC is provided in partnership with Clatterbridge Cancer Centre (CCC) and is called Clatterbridge Diagnostics. This has helped to reduce waiting lists by enabling earlier access to diagnostics, for a wide range of conditions.

Clatterbridge Hospital is also the site for further investment of £10.6m for modular operating theatres, for which construction has already begun. The funding from NHS England and Improvement has been allocated by Cheshire and Merseyside's Integrated Care System (ICS) and will enable the Trust to treat around 3,000 surgical patients a year. Elective procedures nationally have been impacted by the COVID-19 situation together with winter pressures creating a backlog of patients waiting for treatment. The funds have come from the NHS targeted investment fund to clear the backlog of people waiting for elective surgery. Throughout the pandemic, WUTH has continued to care for those in need of urgent surgery and cancer treatment; plus, neonatal and maternity care has continued for all who need it, but this investment is part of our plan to provide treatment as quickly as possible for those less urgent cases and those who are awaiting treatment.

Our vaccination hub at Clatterbridge Hospital has played a significant part locally and nationally in the roll out of the COVID-19 vaccination programme and seasonal flu, with over 150,000 COVID-19 vaccinations taking place at the centre, garnering praise from patients for its welcoming and friendly staff, putting patients, some as young as five years' old, at ease and addressing concerns about the vaccines. Our pharmacy, digital healthcare and nursing teams have done a superb job in setting up and running the centre.

Our progress in attracting capital investments to Wirral exemplifies two approaches that are standing us in good stead as we recover from the pandemic. Firstly, they demonstrate that WUTH has the capacity and capability to bring forward deliverable schemes for investment to meet patient need and secondly, that we work in partnership across the Wirral system. This includes not just other providers, but also working with our local authority partners at Wirral Council who are keen to reduce health inequalities, improve access to treatments and create high quality jobs in the healthcare economy at our two sites and our laboratory in Bromborough. This partnership working on the Wirral, forged and strengthened during the pandemic, is providing positive foundations as the system develops towards being an Integrated Care System in Cheshire and Merseyside in July 2022.

As a teaching and research hospital, we are also at the forefront of research into COVID-19 as well as other significant areas of research and innovation such as oncology, cardiology and ophthalmology. Clinicians and the research department at WUTH are contributing to eight studies, including global clinical trials, categorised as urgent public health research by the Department of Health and Social Care.

As a teaching hospital, many of our doctors in training and student nurses joined us on the COVID-19 frontline throughout the pandemic to provide invaluable support to our staff. We supported

clinicians in training also via high quality online teaching using investment in digital surgical training and virtual learning in our clinical simulation suite, which was visited by the Liverpool Metro Mayor, Steve Rotheram in September 2021. Our staffing was enhanced via 180 international nurses who joined the Trust from across the world and who are adding their skills, diverse perspectives and capabilities to our workforce.

Despite the huge challenges of operational delivery, the COVID-19 pandemic, pressures on the emergency department and catching up on elective backlogs, the Trust has continued to make real progress on a range of strategically important projects. With our main strategy to 2026 approved last year, further enabling strategies have been developed in the year covering our digital, estates and facilities and all important patient experience, which benefitted from engagement with system partners, staff, patients and carers. We also completed our Green Plan, which sets out how we will deliver improvements in our environmental impact and reduce our carbon footprint in line with the NHS net zero ambitions.

Staff health and wellbeing remained high on our agenda as once again our staff responded with incredible dedication and resilience to the sustained impacts of the pressures on our hospitals. We are spending over half a million pounds on new staff welfare and rest facilities – with a good proportion of the funds for staff wellbeing coming from the generosity of the public via our charity appeal partnership with 'The Wirral Globe' and funds from NHS Charities Together. We have taken action on staff wellbeing through our 2021/22 workforce winter wellbeing plan, with a focus on boosting morale, as well as health and wellbeing interventions.

We know that a simple thank you goes a long way – whether it's from managers, colleagues or patients – or from ourselves and the Board. Thank you to all our staff, patients, stakeholders and partners who have helped the Trust through a challenging and rewarding year, providing exceptional care to the people of the Wirral.

Sir David Henshaw
Chair

Janelle Holmes
Chief Executive Officer

Overview of Performance – 2021/22

This section provides an overview of the Trust. It sets out the purpose and key activities of the Trust. We also use this opportunity to highlight some key achievements and recognition over the past year including a summary of the Trust's key performance figures and what we delivered in 2021/22.

The purpose of the Trust and its key activities

The Trust is one of the largest employers in Wirral. It was formed under the provisions of the Health and Social Care (Community Care and Standards) Act 2003 (consolidated in the National Health Service Act 2006). The Trust received its Terms of Authorisation on 1st July 2007 which were superseded by a Licence from the regulator in April 2013.

The status of foundation trust (FT) enables us to:

- provide and develop healthcare according to the core NHS principles of free care based on need and not ability to pay
- have greater freedom to decide our own strategy and the way we run our services
- retain any financial surplus at the end of the year to reinvest in services and care provision and
- borrow to invest in new and improved services for patients and service users.

We have a key accountability to our local community through our public members and governors. In addition, we are accountable to our commissioners (through contracts), Parliament and NHS Improvement. Our workforce of over 6,000 staff serves a population of approximately 400,000 people across Wirral, Ellesmere Port, Neston, North Wales and the wider north-west.

The Trust operates from two main sites:

- Arrowe Park Hospital, Upton – delivering a full range of emergency (adults and children) and acute services for adults in the main hospital building. The Wirral Women's and Children's Hospital provides maternity, neonatal, gynaecology, children's inpatient, day case and outpatient units.
- Clatterbridge Hospital, Bebington – undertaking planned surgical services, dermatology services, breast care and specialist stroke and neuro rehabilitation services.

Outpatient services are provided from community locations including:

- St Catherine's Health Centre, Birkenhead – providing x-ray, community paediatric services, paediatric audiology and a range of outpatient clinics.
- Victoria Central Health Centre, Wallasey – providing x-ray, some outpatient services and antenatal clinic.
- GP practices, schools and children's centres.

Our full range of services include:

- accident & emergency services for adults and children
- a diverse range of acute and non-acute specialties
- outpatient services
- day surgery services

- maternity including a midwifery led unit
- diagnostic and clinical support services
- specialist services including:
    - renal medicine
    - dermatology
    - orthopaedics (hip & knee revisions)
    - ophthalmology (retinal)
    - urology (cancer centre)
    - stroke (hyper-acute unit)
    - gynaecology (advanced laparoscopic endometriosis centre)
    - neonatal level 3 unit and
    - Ronald McDonald House: charity home providing accommodation for parents of sick children and premature babies.

Clinical work is complemented and supported by a comprehensive range of corporate services, which include, amongst others:

- quality and safety
- corporate nursing and midwifery
- operations and performance
- strategy and partnerships
- finance and procurement
- human resources and organisational development
- information and IT services
- facilities and estates management.

In 2021/22 the Trust undertook the following activity:

	21/22
Total Births	2,996
New Outpatient Attendances	112,876
F/Up Outpatient Attendances	331,664
Diagnostic Orders	386,512
Diagnostic examinations performed	333,502
A&E Attendances	97,847
Emergency Admissions*	52,946
Elective Day Case Admissions**	38,641
Elective Planned Admissions	6,879

*Including maternity emergencies but excluding births.
**Excluding Nephrology

2021/22 achievements

During the year, the Trust has received multiple national awards, along with recognition of achievements across several services, including:

CQC maternity survey

A national survey of maternity services produced positive results for maternity services at Wirral Women and Children's Hospital, part of WUTH. The Trust performance was reported as better than the majority of the 122 hospitals surveyed, in response to several questions. During the last year, the Wirral maternity team delivered 3,084 babies with 94 home / community births.

The CQC survey was conducted in February 2021. The CQC use a series of bandings to define the quality of care provided to patients. When patients were asked if their partner or someone close to them was able to stay with them when they were in hospital, the patients' responses showed that the Trust provides 'much better' than the average score for their care for expectant and new mums. The Trust was also rated 'much better' than most Trusts by patients, when asked if they were spoken to in a way they could understand, during labour and birth.

UK first for new technology at WUTH

In September 2021 WUTH became the first Trust in the UK to use an innovative system to aid the diagnosis for patients with potential prostate cancer.

The state-of-the-art ExactVu ultrasound system is more likely to give a decisive result from the patient's initial biopsy procedure, reducing the time taken to investigate and need for further invasive procedures to reach a diagnosis. This is because it provides high resolution, real-time imaging that enables more accurate targeting for biopsy of suspect areas of tissue within the prostate gland.

Without the accuracy provided by this system, up to 25% of biopsies can potentially miss suspicious areas. The new technology also means fewer samples are needed from the patient to make a diagnosis. Having greater accuracy in taking samples and needing fewer repeats means that patients can be diagnosed more quickly and treated at an earlier stage. The new system was funded by the Merseyside & West Cheshire Prostate Appeal to support minimally invasive treatments for prostate cancer, which was set up by WUTH consultant urologist, Nigel Parr.

'Highly Commended' in National, winners of local awards and Health Service Journal Partnership Award

The WUTH infection prevention and control campaign called 'Keep it Simple' was highly commended as an example of communications and engagement excellence in the national Forward Communications awards run by the publication 'Leading Healthcare.' The Trust was also highly commended, along with Wirral Council, in the 'Municipal Journal' awards for the co-ordinated community response to supporting guests returning to quarantine in the UK from Wuhan and the Diamond Princess cruise liner.

In ‘The Wirral Globe’ local awards, WUTH Medical Director, Deputy Chief Executive and Respiratory Consultant Dr Nikki Stevenson was named ‘NHS Hero of the Year’ and the respiratory unit on ward 25 was awarded the ‘Team of the Year’.

Ann Taylor from our substance misuse team was part of a winning team at the recent ‘Health Service Journal (HSJ)’ Partnership Awards, in the category ‘HSJ Best Educational Programme.’ Working in collaboration with Kyowa Kirin, a pharmaceutical company, and colleagues from other NHS trusts, they developed ‘Drink Talking’ – a new education programme, raising awareness of alcohol services. The judges described it as an excellent initiative harnessing shared collaboration and partnership working. They added that the ability to adapt and respond quickly and effectively at such a challenging time has made a real difference to this vulnerable group of service users.

Investment in staff wellbeing facilities at Arrowe Park Hospital

Work has started on the development of a new restaurant and staff wellbeing area at Arrowe Park Hospital following a successful charity appeal. It will be partly funded by £150,000 that was raised through the WUTH Charity COVID-19 Support Fund, which was a joint appeal by the Trust and ‘The Wirral Globe’ newspaper. The aim of the appeal which was held during the height of the pandemic was to raise funds for a project that would enhance wellbeing of Trust staff, volunteers and patients at the Trust.

The project has been made possible thanks to the generosity of the public and staff who raised funds. It will be a legacy that will last many years and will benefit thousands of people. Funding from the national NHS Charities Together fund has also contributed towards the cost of the refurbishment, which is likely to be around £450,000.

Charity appeal

Staff engagement and wellbeing was a vital part of the charity’s contribution to the Trust’s work during the pandemic in both 2020/21 and 2021/22. The charity has continued to receive support from staff, corporate donors and volunteers who have contributed to another successful year. During the summer the charity was able to restart its events programme, the highlights being the winter ball and the elf run which was supported by local schoolchildren.

Summary of principal risks

Key risks to the delivery of the Trust’s objectives and the associated controls are set out in our board assurance framework (BAF). All risks entered onto the BAF are subject to a robust process of review and scrutiny. The principal risks that have been assigned to the Trust’s strategic objectives for 2021/26 were approved by the Board of Directors in September 2021 are summarised below:

- Effectively manage demand, both unscheduled and scheduled, and meet constitutional standards which will adversely impact quality of care and patient experience.
- Recruit and retain staff which when considered alongside high sickness level will impact on quality of care and staff wellbeing.

- Deliver financial plan due to uncertainty re financial regime and ability to deliver sustainable cost improvements and productivity gains due to inability to embed service transformation.
- Deliver seamless care with our partners due to ongoing uncertainty re the infrastructure of system working resulting in change in strategic direction and uncertainty re Trust role in place governance.
- Deliver our digital ambition due to unsuccessful implementation of our electronic patient records and potential loss of clinical systems due to cyber-attack.
- Improve our infrastructure due to availability of capital funding with risk to business continuity and provision of clinical services due to critical infrastructure failure.

Further detail on the risks, how they are mitigated, and any changes in the risk scoring can be found in our Board of Directors' meetings where the BAF is considered.

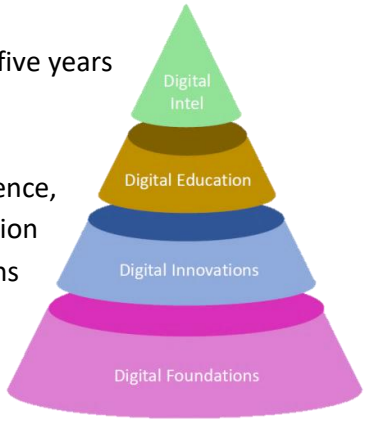
public-board-of-directors-2-march-2022-electronic-version.pdf (wuth.nhs.uk)

Operational and clinical risks are identified, managed and monitored in accordance with our risk management policy. Details of the key risks are referenced within the performance analysis section and the annual governance statement.

Strategy

2021 / 2026 Our Strategy describes our six strategic objectives and priorities which demonstrate our intention to provide outstanding care across the Wirral as a lead provider within the Wirral system**.** Following the successful launch of our *2021/2026 Strategy*, six enabling strategies were developed following consultation with staff, patients and stakeholders. Our *2021/26 Strategy* together with our clinical service strategy forms the basis for our strategic priorities. In November 2021, we delivered our first strategy event. This was a bi-annual away day to facilitate working with our clinical and non-clinical divisions and corporate services. The event provided an opportunity to monitor and celebrate progress with the delivery of priorities against our strategic objectives and enabling strategies across the organisation.

The digital strategy details our IT and information priorities for the next five years supporting the digital future strategic objective.



The digital strategy outlines priorities for its four domains: digital intelligence, digital education, digital innovations, and digital foundations, with the vision to deliver digitally enabled best care for everyone. The four domains encompass 18 priorities that include delivering a technical refresh programme, ensuring all equipment is fit for purpose, providing a robust cyber defence, deployment of self-service portals, optimising our system-wide Electronic Patient Record, expanding our patient portal, improving our training

delivery model, supporting clinical teams in delivering bespoke knowledge transfer and developing a single business intelligence platform.

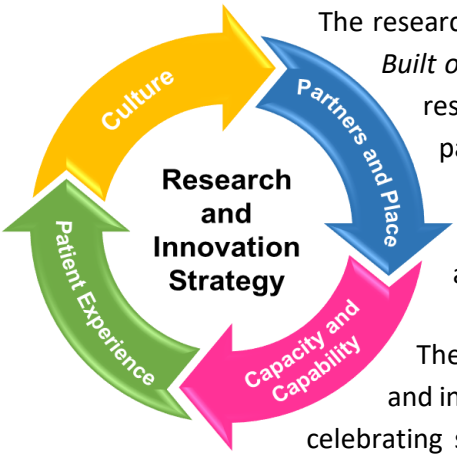
The patient experience strategy sets out our road map of improving patient experience and has been separated from our quality & safety strategy to ensure that we set out clear intentions, and that it is easy for us to follow, embed and measure our success. Our patient experience vision is:

We care, we listen and we act

The vision statement was co-designed through extensive engagement with our partners by listening to feedback detailing what is most important to our patients, relatives, carers and staff reflecting the patient journey in promises. These promises will be used to measure our success in achieving our patient experience vision.

The estates strategy showcases our estates, facilities and capital areas of focus for the next five years to deliver our infrastructure strategic objective, underpinned by our Estates vision: *"Health connects us, buildings enable us".*

The estates strategy consists of four campaigns: technical management review, people, support delivery of clinical and non-clinical service strategies and portfolio development and future planning. The four campaigns consist of 18 priorities that include developing an estates digital system, leading a five year capital programme, implementing a proactive maintenance programme, improving accessibility, expanding the catering offer, improving staff facilities, collaborating with partners to develop a WUTH travel plan, introducing sustainability and social value consideration to procurement processes, leading the collective Wirral place asset portfolio mapping, and supporting the development of an ICS estates strategy.



The research and innovation strategy vision: *"Tomorrow's Outstanding Care is Built on Today's Best Research"* represents our commitment to transform research and innovation activity across the Trust and is aligned to our partners' strategic objectives and our own commitment to continuous improvement. The strategy outlines priorities across four components: culture, partners and place, capacity and capability and patient experience.

The strategy contains 16 priorities which include integrating research and innovation into all roles and everyday activities, raising awareness and celebrating successes, building on partnerships, prioritising research at place, supporting research active staff, developing research career pathways, investing in the research department infrastructure, ensuring equal access for patients, empowering patients to participate in and be involved in the planning of research and innovation at the Trust.

Our people strategy is aligned to our compassionate workforce strategic objective and is based around the four pillars of the NHS People Plan and addresses the themes from the staff survey. Each principle has its own vision:

Looking after ourselves and each other – "*We will develop a wellbeing culture where supporting and enabling the holistic wellbeing of our people becomes the norm".*
Belonging at WUTH – *"We will develop an inclusive culture where everyone's voice is represented",*
Transforming ways of working – "*We will embrace new ways of working and create opportunities to enable our people to achieve their potential*".
Shaping our future – *"We will improve outcomes across Wirral for health, employment and wellbeing by working with our partners to be the best place to work".* Each principle has a set of priorities, outcomes and key actions to be achieved.

Integrated Care Systems and partnership working

Throughout 2021/22 the Trust has continued to work with our partners through the Healthy Wirral Programme to support the vision of a healthier Wirral and have continued to support the five key workstreams: planned care, unplanned care; out of hospital; clinical and cost effectiveness of medicine and back-office functions.

In July 2021, the government published the Health and Care Bill to make provision for health and social care. The Department of Health and Social Care has sought to develop the legislative proposals with the whole health and care system, with a key ambition of reducing inequalities and supporting people to live longer, healthier, and more independent lives. The purpose of the legislation is to

create an enabling framework for local partners to build upon existing partnerships at place and system levels, and to align services and decision making in the interests of local people.

April 2021 saw the creation of 42 ICSs across England, which replaced Sustainability and Transformation Partnerships. From July 2022 the ICSs will be placed on a statutory footing.

The ICS will be led by an Integrated Care Board (ICB), with responsibility for NHS strategic planning and allocation decisions, with an Integrated Care Partnership (ICP) bringing together all system partners to produce a health and care strategy. In addition, the ICS also consists of provider collaboratives that will agree specific objectives between providers and place-based partnerships that will enable functions to be exercised and decisions to be made at 'place'.

The Cheshire and Merseyside ICS is made up of nine 'places', Wirral being one of them. A requirement for each place is to develop a place-based partnership congruent with the ICS design framework guidance and the Health and Care Bill. During 2021/22 the Trust has led the development of a target operating model for place that enables the establishment of a place-based partnership and local provider collaborative that further strengthens and builds upon our existing partnerships.

Urgent and emergency care upgrade programme (UECUP)

The UECUP was established by the Trust in July 2020, in partnership with Wirral Community Health and Care NHS Foundation Trust (WCHC) and the local health economy, to transform the provision and delivery of urgent and emergency care (UEC) services at Arrowe Park Hospital.

In August 2019, capital funding was allocated to WUTH for the transformation of Arrowe Park Hospital's Urgent Treatment Centre (UTC) and Emergency Department (ED), with the aim of creating 'one-single front door' for both services.

Significant engagement has taken place across the health economy with clinicians, functional stakeholders and external partners to develop a new clinical model and business case which will implement a best-in-class UEC service. This comprehensive clinical engagement, in addition to detailed analysis of clinical data, has led to the formulation of this clinical model that has focused on addressing Arrowe Park's UEC core challenges.

As 2021/22 ends, the design of the new department is now in the final stages of completion. The scheme is awaiting final planning permission and preparing for the build to commence, whilst maintaining a working environment for staff, patients and visitors managed by detailed phasing plans approved by the Trust's senior management teams.

Financial overview 2021/22

As the country gradually returned to some form of normality in 2021/22, COVID-19 was still having a significant impact on the NHS. This was felt both in terms of management of the response and

dealing with the backlog caused by the pandemic. This had consequences for both financial management and reporting.

The 'block contract' payment regime introduced in the second half of 2020/21 continued into 2021/22. This gave all NHS providers, including WUTH, a guaranteed minimum level of income based on historical expenditure with the expectation that we did not incur any deficit. From a planning perspective, Trusts were required to submit balanced plans for each half of the year and Cost Improvement Plan (CIP) targets were introduced in the first half of the year and increased in the second.

Despite the scale of the challenges in managing this position we delivered a year-end surplus of £0.036m and ended 2021/22 with a cash balance of £36.4m.

The following commentary provides more detail on the Trust's key financial results, which are formally reported in the Trust's annual accounts.

Income

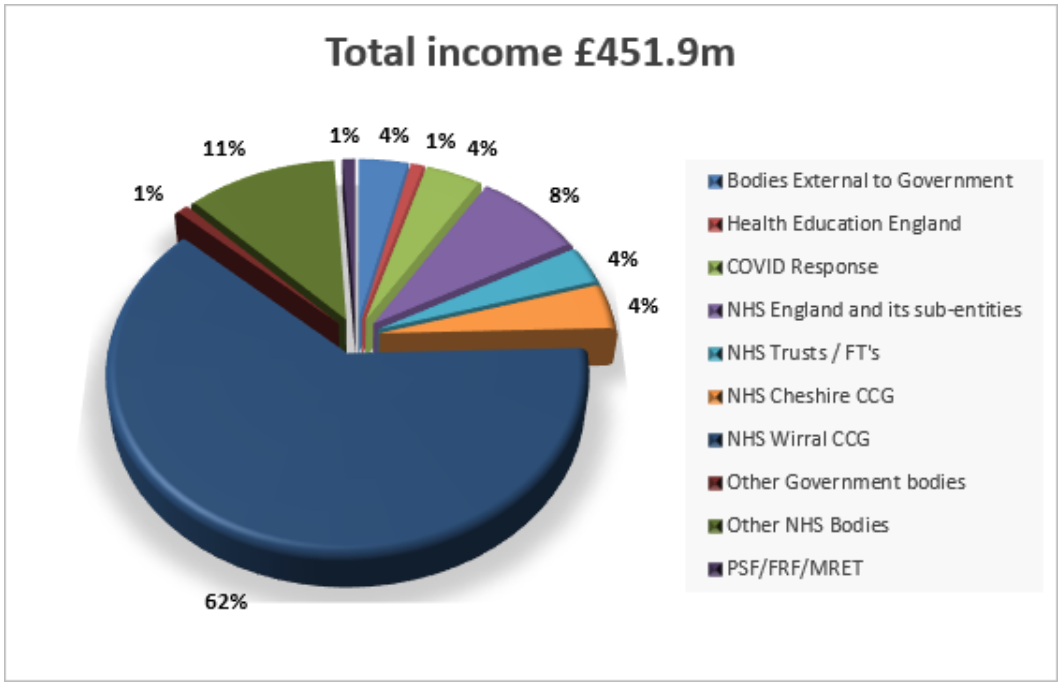
The Trust has generated operating income and gains of £463.1m in the year.

NHS income for patient care, at £421.4m, was the largest aspect of income in 2021/22. This was funded largely through 'block' contracts with our key commissioners, with 'payment by results' mechanisms remaining suspended as part of NHS England's response to COVID-19. Wirral Clinical Commissioning Group remains the largest commissioner of services for the Trust, generating £281.7m (62.34%) of the Trust's overall income, which was broadly consistent with prior years.

Remaining income includes £17.6m of elective recovery fund, achieved for activity performance being beyond the referral to treatment pathway, £5.4m of targeted investment funding for revenue investment in technology to support elective recovery and £4.3m for COVID reimbursement.

Other income in year includes £11.7m for education and training, £13.5m in respect of charges to other public sector bodies and £3.5m in respect of staff recharges.

The chart below depicts the Trust's total income and gains for 2021/22, split by customer or commissioner type:



The Trust has met the requirements of section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), in that the income from the provision of goods and services for the purposes of the health service in England (principal) has exceeded income from the provision of goods and services for any other purposes (non-principal). Non-principal income is used to provide additional funding for the Trust. It is directly reinvested in the delivery of high-quality NHS services.

Expenditure

Total expenditure incurred by the Trust during 2021/22 was £462.8m (£435.2m 2020/21), which is an increase of £27.6m or 6.3% from the previous year.

Pay is the largest expenditure category at £312.6m which is 67.5% of the Trust's total expenditure. Within this pay figure, the amount spent on substantive staff was £267.9m, with £22.2m on bank staff and a further £10.2m on agency staff. Including bank and agency staff, the Trust spent £68.7m on medical staff and £72.8m on qualified nursing. The level of qualified nurse vacancies across the Trust has been a major challenge again this year, although the Trust has achieved the threshold set for vacancies since October 2021.

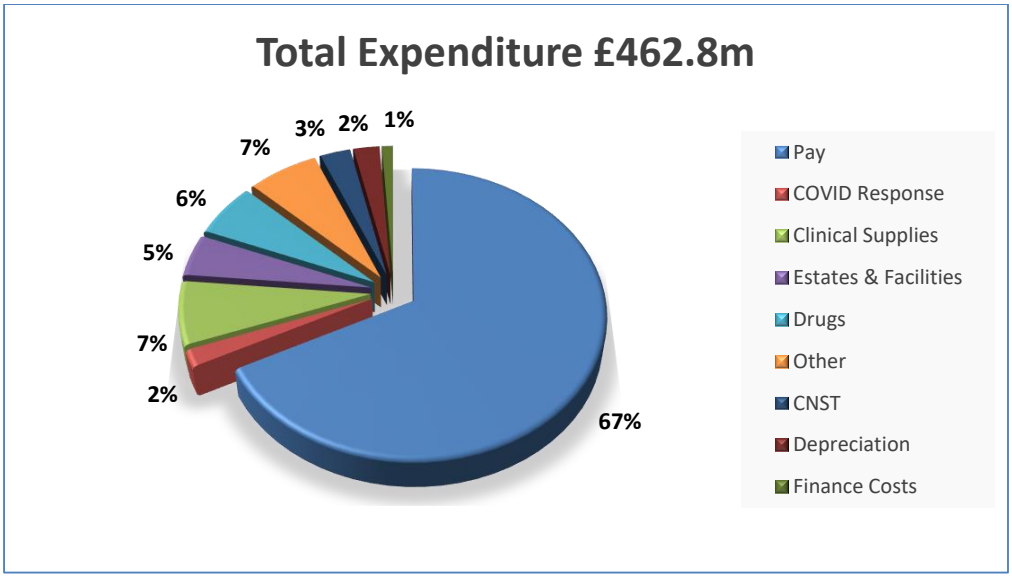
Non-pay and financing costs (£150.2m) represent 32% of the Trust's expenditure. Some notable expenditure items in 2021/22 are as follows.

- £39.5m on clinical supplies
- £27.7m on drugs
- £18.2m on premises

- £13.1m for the Trust's clinical negligence insurance (CNST) premium
- £4.8m on finance costs, including PDC dividend to DHSC.

Depreciation and amortisation of £11.2m is included in the overall expenditure figure. This is a non-cash item, which is charged annually to reflect the usage and consumption of capital assets which were purchased in 2021/22 and previous years.

The chart below depicts the main categories within total reported expenditure for 2021/22, 'other' includes premises, training, leasing and IT-related costs.



Capital investment

Capital expenditure for the year totalled £29m which included £15.3m of Public Dividend Capital (PDC) funded assets. This funding has included monies for the Trust to develop two modular theatres on the Clatterbridge site. All this expenditure underpins safety management, patient experience, service delivery and the achievement of efficiencies in the medium and long-term.

The Trust's capital schemes for 2021/22 were as follows:

- £4m Medical equipment
- £2.5m Ward refurbishment
- £8m Improvements to the Trust's built estate
- £0.7m Information technology improvement schemes.

Cash

The cash balance held at 31 March 2022 was £36.4m. This was higher than planned as the Trust received significant (PDC) monies in the last month of the financial year.

Within the Directors' report, the Trust's performance in 2021/22 on the Better Payment Practice Code (BPPC) targets is disclosed. The Trust achieved the target for payment of non-NHS invoices with actual performance of 96% for the year and paid 95% of NHS payments.

Cost improvement plans (CIPs)

The Department of Health & Social Care requires all NHS organisations to improve productivity whilst maintaining high quality standards.

The Trust had a target of £6.56m for CIP in 2021/22 and delivered a programme of £6.28m, of which £5.23m was delivered recurrently and £1.05m non-recurrently. This leaves a shortfall of £0.28m in terms of the headline target and £1.33m in terms of recurrent CIP.

Despite this shortfall, the 2021/22 CIP represents a significant achievement given the operational pressures the Trust faced during the period.

There were notable successes in the period in respect of carbon and energy fund savings (£0.392m), substantive recruitments against long-standing vacancies previously covered by agency staff (£0.349m) and procurement savings re orthopaedic implants (£0.25m).

Future outlook

From 1 July 2022 the Cheshire and Mersey ICB will be become a statutory entity and will have overall responsibility for the delivery of the financial performance of the Cheshire & Merseyside ICS. The major focus for 2022/23 will be the continued recovery of the Trust's elective programme and delivery of activity levels which achieve maximum capacity and working with our partners in Cheshire and Merseyside to reduce waiting lists across the ICS.

Under the leadership of the chief operating officer, the plan of activity has been developed in compliance with operational guidance and submitted in line with all external timescales. The financial plan, developed in conjunction with the activity plans, has been subject to significant challenge and scrutiny both internally and externally across Cheshire and Merseyside and our regulators. The Trust is planning for a £6.197m deficit but work continues to challenge costs and maximise income.

The plan includes the Trust's CIP target of 4.5%, with 3% to be delivered recurrently and 1.5% to be delivered non-recurrently. This represents a £20.8m target overall and represents the greatest risk in respect of delivering the financial plan. We are confident that the Trust will be able to recover the non-recurrent element of the programme but the recurrent element will be more challenging. At the time of writing £6.883m has been identified to be delivered recurrently and governance structures have been strengthened to ensure that delivery of CIP is a key operational objective for all teams.

Going concern disclosure

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern.

After making enquiries, the directors have a reasonable expectation that the services provided by the Wirral University Hospital NHS Foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Performance Analysis

There are key performance measures the Trust is legally obliged to report upon both locally to its commissioners and nationally to external bodies. These derive from the NHS England national standard contract, Commissioning for Quality and Innovation and locally agreed measures with our commissioners.

To help the Trust understand its performance, the Trust measures its effectiveness in delivering priorities by monitoring and reporting performance data in three areas:

- national quality standards
- local outcome measures
- financial performance.

Performance is managed through the Trust's operational management arrangements with assurance provided to the Board through its committees and the Trust Management Board. Exception reporting is required where the Trust is not meeting specific KPIs or outcomes. The Trust performance in relation to the operational statutory indicators is shown below by quarter:

National targets and regulatory requirements	Target	Q1	Q2	Q3	Q4
Maximum waiting time of two weeks from urgent GP referral to first outpatient appointment for all urgent suspect cancer referrals	Minimum 93%	97.21%	94.95%	91.63%	76.72%
Maximum waiting time of 31 days from diagnosis to treatment for all cancers	Minimum 96%	96.26%	96.41%	94.85%	94.11%
Maximum waiting time of 31 days from decision to treat to start of subsequent treatment for cancer (surgery)	Minimum 94%	86.36%	87.69%	85.71%	86.27%
Maximum waiting time of 31 days from decision to treat to start of subsequent treatment for cancer (drugs)	Minimum 98%	100%	100%	100%	100%
Maximum waiting time of 62 days from urgent referral to treatment for all cancers	Minimum 85%	84.66%	85.05%	79.38%	78.13%
Maximum waiting time of 62 days from screening referral to treatment for all cancers	Minimum 90%	89.39%	90.24%	74.65%	85.25%
Referral to treatment time – incomplete pathways < 18 weeks	Minimum 92%	75.64%	72.88%	67.84%	65.38%
Referral to treatment time – incomplete pathways: total waiting	Maximum 27,431 by March '22	26,671	27,424	27,406	30,430
Maximum waiting time of four hours in A&E from arrival to admission, transfer or discharge	Minimum 95%	75.86%	65.85%	60.89%	61.20%

Impact of COVID-19

The pandemic significantly impacted the provision of NHS services, for both primary and secondary care sectors. Whilst in the early stages of the pandemic the Trust experienced lower levels of emergency demand, latterly the emergency demand increased to pre-pandemic levels creating significant operational pressures in balancing emergency demand, COVID-19 and ensuring that patients waiting for the most urgent elective treatment were prioritised.

During this time the priority for in hospital services was the treatment of COVID-19 patients and the need to adapt services to function under greatly enhanced infection and prevention guidelines. Throughout the pandemic the Trust has maintained its own arrangements for monitoring quality and performance and the impact of the changes on service areas is summarised below.

Urgent and emergency care

An immediate impact of the COVID-19 pandemic and the national campaign to 'Protect the NHS' was a significant reduction in the number of patients attending the Trust's emergency department and the Wirral Community Trust managed walk-in-centre, both located on the Arrowe Park Hospital site. However, in the last quarter of the year non-elective demand surpassed demand from previous years, by 6%. The Trust has faced significant challenges with accessing beds for patients that no longer require acute hospital care. The latter coupled with increased demand in the emergency department, and surges of COVID-19 have placed unprecedented pressures on the operational running of the hospital throughout the year.

In line with the complex operational position mentioned above performance against the 4-hour maximum waiting time standard has been challenging. The clinical and operational teams have been focussing on trialling and embedding improvements across the emergency pathways focussing on admission avoidance where appropriate, ensuring safe and swift ambulance handovers and preparing for the implementation of the new standards for urgent and emergency care in 2022/23.

Access to elective care

The recovery of elective services has continued since their re-start in July 2020, although there have been several subsequent suspensions due to COVID-19 surges. It is a high priority for the Trust to meet new care demands and reduce the volume of patients waiting for elective treatment as a direct consequence of the pandemic. This issue has been the subject of regular reports to the Board of Directors. Whilst the future pattern of COVID-19 transmissions and the resulting demands on the Trust remain uncertain, the Trust has focused on increasing its capacity and resilience to deliver safe, high-quality services that meet the full range of our patients and focusses on recovering elective waiting times to pre-pandemic levels as soon as is practically possible. To deliver this the Trust has:

- initiated plans to grow its workforce and work differently.
- adapted new models of care using digital developments.
- used additional regional and national funding to increase capacity and invest in our buildings and equipment particularly for elective capacity on the Clatterbridge site.

The Trust has set ambitious activity plans for 2022/23 to increase the number of patients treated across elective pathways. This is designed to help deal with the increased delays as a direct result of the pandemic.

Whilst referral to treatment standards remain, the National Elective Plan outlines two key milestones; to have no patients waiting two years by July 2022 and to ensure no patients are waiting more than 18 months by March 2023. The Trust finished the 2021/22 financial year with zero 104-week waiters and has a plan to achieve zero patients waiting 78 weeks in line with the national target.

Access to cancer care

Prior to the pandemic the landscape for cancer was rapidly changing with the introduction of the Cancer Alliances and the focus on early diagnosis, optimal pathways and risk stratified pathways promoting self-supportive management. However, during the peak of the pandemic rapid capacity solutions were required to ensure that patients were treated according to clinical need and that capacity was maximized. Surgical hubs were established to co-ordinate cancer surgery to ensure that where local capacity was insufficient to provide timely care, access to care was maintained.

At the outset of the pandemic, the number of suspected cancers dropped as primary care moved to virtual models offering limited face-to-face consultations and individuals with symptoms delayed contacting their GP. Patients deemed as clinically extremely vulnerable, isolated at home and did not attend hospital or primary health care settings. Virtual reviews of patients became the norm with virtual multi-disciplinary teams determining cancer treatment decisions.

As COVID-19 cases eased and the health system became more used to dealing with its impact the Trust moved into the 'restoration' phase and began to plan for the restoration of cancer services to pre-COVID levels. The Trust increased diagnostic capacity to meet the needs of patients who had experienced long waits (over 104 days) as well as to manage the immediate growth in people requiring diagnosis and/or treatment.

Cancer referrals

Analysis undertaken by Macmillan Cancer Support 'The Forgotten 'C'? The Impact of Covid-19 on cancer', care showed that over a six-month period from the start of the pandemic there had been a 28% decrease in urgent referral appointments in England for people with suspected cancer. This

means potentially 343,000 fewer patients were tested for suspected cancer. In 2021/22 suspected cancer referrals were 33% higher than the referrals received in 2018/19.

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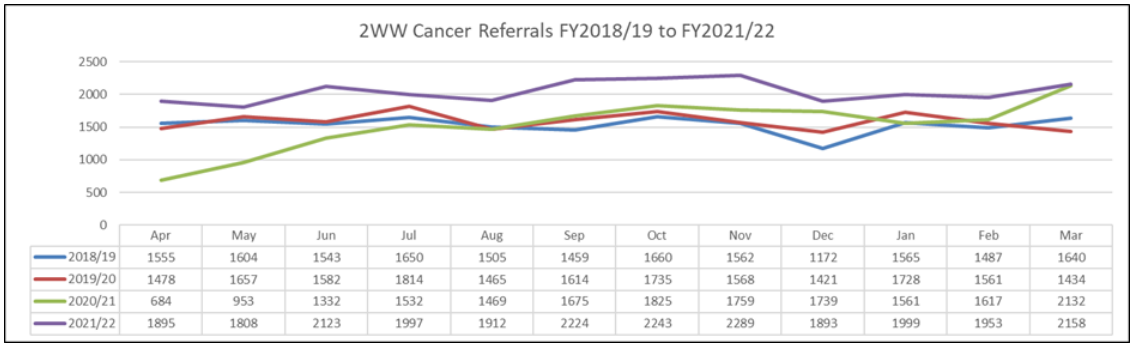


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2018/19	1555	1604	1543	1650	1505	1459	1660	1562	1172	1565	1487	1640
2019/20	1478	1657	1582	1814	1465	1614	1735	1568	1421	1728	1561	1434
2020/21	684	953	1332	1532	1469	1675	1825	1759	1739	1561	1617	2132
2021/22	1895	1808	2123	1997	1912	2224	2243	2289	1893	1999	1953	2158

Number of patients referred for an appointment within 2 weeks with suspected cancer

Quality of service

The following sections provide an overview of delivery against key quality indicators and quality improvement priorities for 2021/22. A Quality Account will be prepared, as required by the Health Act 2009, and published on 30 June 2022.

Care Quality Commission

The CQC undertook a Trust-wide inspection in October/November 2019 and published its report in March 2020. The Trust developed an extensive improvement plan in response to the findings with progress monitored through the Trust's governance structures. Despite the challenges to the organisation from the pandemic, the improvement plan is almost completed.

Safe	Effective	Caring	Responsive	Well-led	Overall
Requires improvement →← Jan 2020	Requires improvement →← Jan 2020	Good →← Jan 2020	Requires improvement →← Jan 2020	Requires improvement ↑ Jan 2020	Requires improvement →← Jan 2020

The Trust also underwent a focused inspection relating to infection, prevention and control in February 2021, with the report published in April 2021. This inspection did not require an improvement plan and the Trust was praised for improvements made.

The report highlighted a number of key improvements in the Trust's leadership, culture, processes and partnership working, which are described in the introduction to this report in the message from the chair and chief executive.

In addition, during 2021, the CQC undertook monitoring activities within the following services: maternity, radiology and surgery, although this did not constitute an inspection and therefore did not result in the publication of a report. No regulatory actions were taken as a result.

In October 2021, the regulator undertook an unannounced inspection of urgent and emergency care and medical services. The inspection report was published on 14 January 2022. The inspection did not result in a change to the overall rating for the Trust because only two services were reviewed and an overall well-led inspection was not undertaken. However, significant improvements were reported in the core services inspected:

	Medical Services		Urgent and Emergency Care Services	
	2019 Inspection	2021 Inspection	2019 Inspection	2021 Inspection
Overall Rating	Requires Improvement	Good	Requires Improvement	Requires Improvement
Domains				
Safe	Requires Improvement	Requires Improvement	Requires Improvement	Requires Improvement
Effective	Requires Improvement	Good	Good	Good
Responsive	Requires Improvement	Good	Requires Improvement	Requires Improvement
Caring	Good	Good	Good	Good
Well Led	Requires Improvement	Good	Requires Improvement	Good

The inspection resulted in five 'must do' actions and 10 'should do' actions. An improvement plan has been developed incorporating outstanding actions from the 2019 inspection. Confirm and challenge meetings assess the impact of the improvement work undertaken and ensure continued relevance of the actions.

Infection prevention and control

Embedding high standards of IPC remains a Trust priority, and even more so during the COVID-19 pandemic. However, there has been a requirement to balance IPC guidance with operational pressures. This has meant that it has not always been possible to restrict admissions to outbreak wards, or COVID-19 exposed bays. Admissions to these areas have been made on a balance of risk, with mitigations including ensuring patients are vaccinated and not considered to be clinically extremely vulnerable. This has occasionally resulted in nosocomial cases of COVID-19 and extended COVID outbreaks. An assurance report is submitted to the executive team and Clinical Advisory Group providing information on the impact of these decisions. There is a gradual reduction in the number of nosocomial cases and new COVID outbreaks.

There were two healthcare associated MRSA bacteraemia reported during the year, the same as the previous year. The patient safety investigations determined one was unavoidable due to individual patient complexities and one avoidable resulting in Trust wide shared learning.

The Trust has achieved the 25% reduction in gram negative bacteraemia for 2021/22. To ensure we achieve the 50% reduction for 2022/23 we will continue to investigate all incidents and work closely with our community partners to implement learning.

Clostridium difficile (C. diff)

The 2021/22 national target for C. diff for the Trust was no more than 115 cases. As this was more than the previous year's target of no more than 88 cases, when we only reported 62 cases, a local target of 79 cases was set. Unfortunately, we have exceeded this local target but remain within the national threshold.

During December 2021 we started to see a few C. diff cases with 027 strain which is a particularly virulent strain. This strain continued to dominate throughout January and February 2022 with a significant increase in overall C. diff cases. Reduction of C. diff remains a Trust priority with this being chosen for a quality improvement project. An aide memoir and communication tool has been created to prompt staff to identify patients at risk of C. diff at the earliest opportunity.

The Trust-level thresholds include all healthcare-associated cases with two category definitions:

- **hospital onset healthcare associated:** cases detected in the hospital two or more days after admission (day of admission being day 0)
- **community onset healthcare associated:** cases detected that occur in the community or within two days of admission and the patients was admitted to the trusts in the previous 28 days.

Clostridium difficile													
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
2019/20	19	9	11	5	6	7	8	6	7	4	4	3	89
2020/21	6	5	5	1	4	1	5	10	8	4	7	6	62
Trajectory 2021/22	6	7	6	7	6	6	7	7	6	7	7	7	79
2021/22	5	7	5	1	6	13	6	5	3	18	12	13	94

All hospital associated infections have a full root cause analysis undertaken to identify learning outcomes and areas for improvement.

Eligible patients receiving venous thromboembolism (VTE) risk assessments

The Department of Health requires quarterly reports regarding eligible adult patients receiving VTE risk assessments during their hospital stay. The compliance target for this measure is +95%. The Trust achieved this target with an outturn position for 2021/22 performance of 96.7% compliance.

Indicator	Threshold	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Percentage of adult patients admitted who were assessed for risk of VTE on admission to hospital (all patients)	≥95%	96.4%	96.6%	96.6%	96.2%	97.6%	96.9%	96.9%	97.2%	96.9%	96.7%	96.2%	96.4%

The sustained assessment compliance with achievement of the target over several years was very positive with leadership provided by a VTE lead to ensure continued consistency of performance.

CQC national patient experience surveys

All five of the CQC national patient experience surveys were reintroduced during 2021/22 with results reported for four of the surveys as below:

Adult inpatient
WUTH were banded as "better" than other organisation in two indicators. These were in relation to communication experience questions. 42 indicators were banded as "About the same" as other organisations and 1 indicator in relation to self-medication was banded as "worse" than other organisations. In March 22 a Medicine Management Nurse has been appointed and will focus improvement work on this.

Urgent and emergency care
WUTH were not banded as "better" or "worse" than any other organisations for any indicators within the survey and therefore were banded as "About the same" for all 38 indicators.

Maternity services
WUTH were banded as "better" than other organisations for four indicators within the survey. These related to aspects of communication, being made to feel involved and having confidence in services. WUTH were not banded as "Worse" for any indicator and therefore were banded as "About the same" for the remaining 46 indicators.

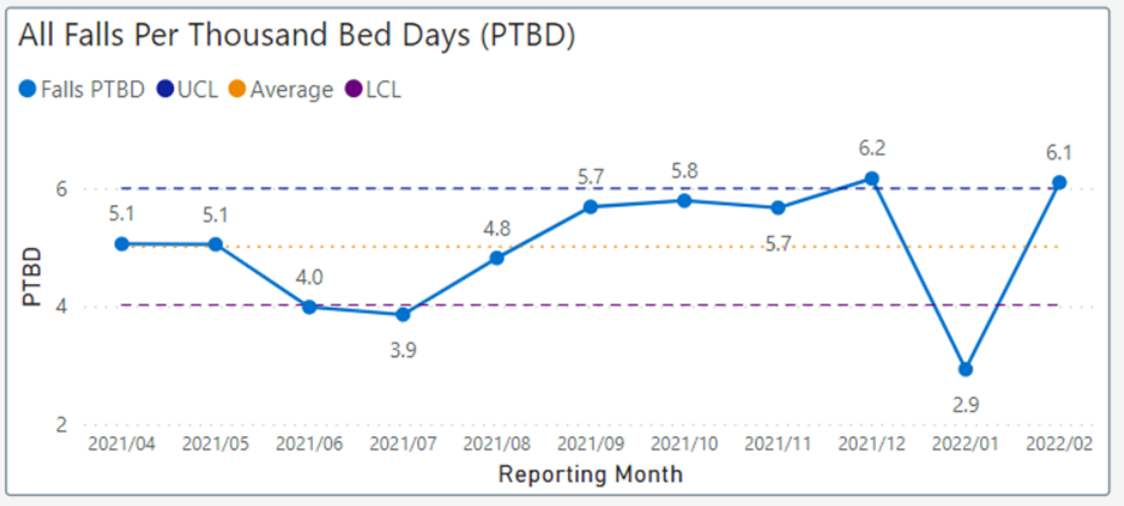
Children and young people
WUTH were banded as "better" than other organisations for seven indicators. These included a variety of elements including facilities, involvement, care and communication. WUTH were not banded as "worse" for any indicator and therefore were banded as "About the same" for the remaining indicators.

The Trust has undertaken a gap analysis to inform an action plan to address the issues from the surveys ensuring no duplication with existing plans. This will be monitored via our patient experience and family group reporting through the Trust's quality governance arrangements.

The results of the cancer survey are awaited.

Falls

Operational pressures due to COVID 19, continued to have an adverse impact on the incidence of falls during 2021/22 from July onwards. On review of falls incidents, it has been identified that some non falls are being captured as falls where patients have experienced a clinical episode such as faint or fit. Improvement work in relation to the accuracy and classification of incident forms will take place in 2022/23.



Falls with moderate harm and above have remained below the Trust target of 0.24 per 1000 bed days for the duration of the year.

Indicator	Threshold	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Falls resulting in moderate/severe harm per 1000 occupied bed days reported on Ulysses	≤0.24 per 1000 Bed Days	0.10	0.20	0.05	0.05	0.10	0.10	0.05	0.19	0.18	0.18	0.22	0.04

Malnutrition universal screening tool (MUST) compliance

WUTH has a target of 95% for malnutrition screening within seven days, WUTH has achieved this target in all months except between November 2021 and January 2022. This slight decrease in compliance is aligned to peaks in relation to COVID – 19.

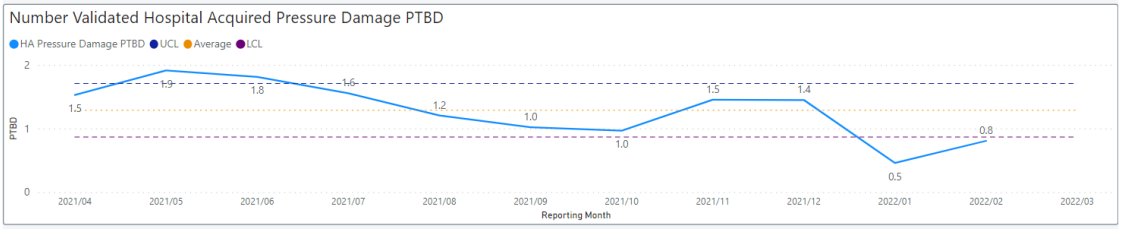
Indicator	Threshold	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Nutrition and Hydration - MUST completed at 7 days	≥95%	98.4%	98.3%	98.3%	95.9%	96.7%	96.4%	96.2%	93.8%	92.6%	91.7%	96.7%	96.9%
Nutrition and Hydration - MUST completed within 24 hours of admission	≥90% to June 2020, ≥95% from July 2020	99.0%	98.0%	98.0%	98.0%	97.0%	96.0%	96.4%	95.5%	94.6%	95.2%	97.3%	96.3%

In addition to the monitoring of seven-day MUST compliance the Trust also monitors compliance with completion of a MUST within 24 hours of admission. WUTH maintained its target of 95% except for December 2021 when it dropped to 94.6%

WUTH has introduced two new reports aligned to MUST during 2021/22. The first report identifies any gaps in the completion of the weight loss calculation field within the MUST assessment, ensuring the admission weight is recorded. The second report identifies when an estimated weight has been used to calculate a MUST and that an accurate weight needs to be taken as soon as possible. During 2021/22 WUTH has purchased new bed scales to support the completion of timely and accurate weights.

Hospital acquired pressure ulcers and deep tissue injuries

WUTH has continued to reduce its prevalence of hospital acquired pressure ulcers during 2021/ 22. Prevalence has not exceeded 2 per thousand bed days which is significantly lower that the upper control limit of 5 and highest prevalence of 5.7 in 2020/21.



There has been no hospital acquired category 4 pressure ulcers during 2021 / 22 compared with one in 2020/21. Four hospital acquired category 3 pressure ulcers occurred during 2021/22 compared with eight in 2020/21.

The Trust has continued with its improvement workstreams, embedded its localised improvement initiative and drafted two new policies: pressure ulcer prevention & management and wound care. These will be fully implemented during 2022/23 following final ratification.

Management of serious incidents / duty of candour

During 2021/22 the Trust continued to support an open and transparent culture of incident management. The evidence of this can be seen in high levels of reporting and timely management of reviews and investigation. In line with the duty of candour we ensure we are open and honest with our patients and families if there has been an error or omission resulting in harm.

The Trust delivered investigation training sessions during the year to support staff involved in serious incident investigations. The Trust also commissioned an external company to deliver bespoke duty of candour training to representatives from all clinical divisions.

In 2021/22 the Trust has focused on strengthening the voice of the patient and family within the investigation process to ensure their concerns are addressed within the investigation and learning is maximised.

Serious incidents continue to be managed in line with the national 60-day deadline. Learning is identified alongside learning from mortality reviews, complaints and other sources of patient safety and quality intelligence. This helps us to continue to improve the safe and quality of care we provide across all our services.

In 2021/22 the Trust strengthened the mortality review process to align it with the serious incident review processes and allow learning to be gained and shared across different forums. The Trust has

also expanded the medical examiner service to provide independent scrutiny of all deaths that occur within the Trust and ensure families have a voice in the learning from deaths process.

The Trust has declared five never events declared during 2021/22. All incidents were subject to a full investigation using root cause analysis methodology and the Trust took immediate improvement actions to reduce the risk of reoccurrence of similar incidents. Duty of candour was complied with.

Reviews of harm

The impact of the pandemic has resulted in a considerable backlog and delay in the time patients are waiting to receive treatment across the NHS. The Trust has a process in place to ensure patients are prioritised based on clinical need and that all incidents of patients waiting beyond national standards for cancer treatment and / or surgery undergo a clinical harm review. The clinical harm review process is aligned the incident management governance process to ensure any incidents resulting in harm undergo appropriate investigation and learning and the duty of candour is met.

Complaints

The Trust registered 216 new formal complaints during 2021/22, which was an 18% increase on the previous year. There was also a 28% increase in informal level 1 concerns (PALS).

During the first lockdown between April and June 2020, there was a marked reduction in the number of complaints received and registered. Following the end of the first lockdown the Trust saw a rise in the number of complaints registered, but there was no comparable reduction of complaints during second lockdown. Instead, complaint numbers have remained relatively constant, averaging 18 formal complaints per month in the last financial year.

There was an increase in the number of complainants receiving their responses within the agreed timeframe of 40 working days compared to 2020/21, although this was due to the increased number of complaints registered and still only represented 46% of all responses sent out. In addition, there was an overall increase in average response times from 45 working days to 55 working days.

Analysis of the end-to-end process has shown that most of the delays have been with the clinical divisions in providing timely and comprehensive reports, often resulting in an extended period of quality assurance. These delays are understood to be partly attributable to the pandemic and ongoing operational pressures. In addition, there was a period (July 2021/February 2022) of reduced capacity within the patient experience team, which has now been addressed. We kept complainants updated on any delays in the handling of their complaint.

There was an increase in the number of complaints referred to the Public Health Service Ombudsman (PHSO) for independent investigation. This is understood to be because the PHSO placed their services on hold during the pandemic and, indeed, several of the cases referred in 2021/22 date from before April 2020. The number of complaints then upheld or partially upheld by

the PHSO following investigation remains small, with only two cases being partially upheld. This suggests that, while acknowledging the increased response times, the Trust is providing comprehensive and robust responses to its formal complaints.

Comparative performance summary	**2020/21**	**2021/22**
Formal complaints registered	183	216
Informal concerns registered	1,794	2,297
Formal complaints acknowledged in three working days	97%	96%
Formal complaint responses sent within agreed timescale	40% (158 responses)	46% (137 responses)
Avg. response time to formal complaints	45 working days	55 working days
PHSO cases opened	4	11
PHSO completed investigations upheld or partially upheld	1 (100% of completed investigations)	2 (40% of completed investigations)

Ward accreditation

Delivering high quality individualised, safe care to patients is a key priority for the Trust. To support this, the Trust has developed the WISE ward assessment and accreditation programme.
W – Wirral **I** – Individual **S** – Safe Care **E** - Every time.

This process is based on successful ward assessment and accreditation models used across NHS hospitals and ensures local policies are accurately referenced and that compliance with "harm prevention inspections" is monitored.

Wards are assessed and scored using a ward accreditation scoring matrix. To date all general inpatient areas have been assessed at least twice with nine wards being awarded level three status, one step away from achieving full WISE ward status, with no wards assessed at level 1.

Each ward undertakes a self-assessment against a number of criteria. Divisional teams develop an action plan and use Tendable (formerly perfect ward self-inspections), to assess compliance with the action plan. Progress is also monitored corporately and assessed independently via the Trust ward Accreditation Programme WISE.

Full WISE ward accreditation activity has been suspended at times of extreme operational pressures. An adapted version of the full WISE accreditation tool that can be used at times of extreme escalation has been developed which provides assurance in relation to harm prevention, medication management and compliance with infection prevention and control measures.

Tendable – formerly Perfect Ward™

Tendable Inspections are used to assess quality, safety and patient experience across our clinical areas. Throughout 2021/2022 The Trust has sustained the Tendable monitoring programme. However, during times of extreme escalation, the number of reviews were temporarily reduced, to prioritise direct patient care whilst prioritising essential patient safety and COVID-19 related inspections.

The programme continues to provide the Trust with real time, high visibility assurance inspections created by clinical teams. During the year 2021/2022 over 25,800 inspections have been undertaken across 60 clinical areas.

Environment

The Trust has a Green Plan which seeks to embed sustainability and low carbon practice in the way we offer vital healthcare services and help the NHS to become the first health service in the world with net zero greenhouse gas (GHG) emissions.

Our green plan has nine areas of focus with actions to be achieved within the next three years to minimise our adverse impact on the environment. Areas of focus include travel and transport, estates and facilities, digital transformation, supply chain and procurement and medicines. Our green plan can be found here:

wuth-green-plan-final-v10.pdf

People strategy

We recognise that our workforce is central to the delivery of our vision to deliver the best quality and safest care to the communities we serve and we continue to put our workforce at the heart of everything we do. Throughout 2021/2022 we have continued to strive towards being the best place to work, with a particular focus on the wellbeing and recouperation of our workforce. Key highlights include:

- The development and delivery of our workforce wellbeing winter plan.
- The development of our just culture programme, through a series of executive led workshops.
- A refresh of our leadership framework and development, ahead of roll out in 2022/2023

In addition, we developed an ambitious and exciting people strategy that sets out a four-year vision of how we will support our people (staff, temporary workers, volunteers and students) to be the best they can and to provide the best possible care to our patients and communities. Over the past two years, all our people have worked incredibly hard to support the delivery of care. We know how challenging that has been and that is why our people strategy is focused on providing the best

experience and support, both now and in the future. We will continue to talk with and listen to our people about how we best achieve our aims. We will also work hard to ensure that each element is delivered in line with our Trust values of respect, teamwork, improvement and caring, and that inclusion and wellbeing are at the heart of everything we do.

Equality and diversity

The Trust recognises the importance of the equality, diversity and inclusion agenda in achieving its overall strategic aims and in addressing both health and employment inequalities.

The Trust is fully committed to the requirements of the Equality Act 2010 and public sector equality duty and achievement of its diversity and inclusion strategy and objectives (2018-2022). Progress with the strategy is overseen through a dedicated steering group, through the workforce governance structure and through to the Board of Directors.

A copy of the Trust's diversity and inclusion report can be found here.
Current Documents (including Trust Objectives) | Wirral University Hospital NHS Foundation Trust (wuth.nhs.uk)

The Trust's current ratings under the equality delivery system (EDS2) are detailed below, with a further review currently underway:

Goal 1: Better Health Outcomes

	Indicator	Self-assessment Rating
1.1	Services are commissioned, procured, designed and delivered to meet the health needs of local communities	Developing
1.2	Individual people's health needs are assessed and met in appropriate and effective ways	Developing
1.3	Transitions from one service to another, for people on care pathways, are made smoothly with everyone well-informed	Developing
1.4	When people use NHS services their safety is prioritised and they are free from mistakes, mistreatment and abuse	Developing
1.5	Screening, vaccination and other health promotion services reach and benefit all local communities	Achieving

Goal 2: Improved Patient Access and Experience

	Indicator	Self-assessment Rating
2.1	People, carers and communities can readily access hospital, community health or primary care services and should not be denied access on unreasonable grounds	Achieving
2.2	People are informed and supported to be as involved as they wish to be in decisions about their care	Developing
2.3	People report positive experiences of NHS	Achieving
2.4	Peoples complaints about services are handled respectfully and efficiently	Developing

Goal 3: A Representative and Supported Workforce

	Indicator	Self-assessment Rating
3.1	Fair NHS recruitment and selection processes lead to a more representative workforce at all levels	Developing
3.2	The NHS is committed to equal pay for work of equal value and expects employers to use equal pay audits to help fulfil their legal obligations	Achieving
3.3	Training and development opportunities are taken up and positively evaluated by all staff	Developing
3.4	When at work, staff are free from abuse, harassment, bullying and violence from any source	Developing
3.5	Flexible working options are available to all staff consistent with the needs of the service and the way people lead their lives	Achieving
3.6	Staff report positive experiences of their membership of the workforce	Developing

Goal 4: Inclusive Leadership

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

The Trust continues to enjoy well established working relationships and engagement activities with a range of local stakeholder groups and organisations that represent patients with protected characteristics. A number of these groups attend our 'patient and family experience group' and

provide feedback on health and social care related issues, which can be incorporated into service delivery that will support improvements in patient and family/carer experience.

Some key achievements for 2021/22 are:

- we have implemented a new quality impact assessment / equality analysis process. This is a panel-based process to facilitate more effective integration, understanding and identification of potential equality related impacts for areas of service or cost improvement. This is in addition to equality analysis / impact assessments that are already integrated within our policy approval process.
- the 2021/22 national staff survey shows "we are compassionate and inclusive" score of 7.1 which is the highest rated theme for the Trust. The diversity and equality sub-group score is 8.2, which is above the national average of 8.1 and the inclusion subgroup score is also the same as the national average of 6.8.
- we have continued to promote and celebrate a range of national and international awareness days, spiritual and religious festivals, using new and innovative ways to offer support and raise awareness of the lived experiences of others.
- we have further upgraded the functionality of our Trust website, using Reachdeck software to allow us to review accessibility of our webpages and allow enhanced accessibility.
- training compliance level with mandated equality, diversity and inclusion training (as at end March 2022 was 90.17%. Trust target is 90%.)

We continue to have three staff support networks in place, each supported by an executive partner; offering support opportunities and direct links to Trust decision making processes:

- WUTH sunflowers for our staff with disabilities and long-term conditions and their carers
- rainbow alliance – for our lesbian, gay, bisexual, trans and non-binary (LGBT+) staff and allies
- multicultural staff network – for our ethnically diverse staff

The Trust is proud to continue to hold the Merseyside In Touch LGBT+ Navajo accreditation, in recognising the Trust's commitment to promoting and supporting LGBT+ people. A key aspect of this work is promotion of the NHS rainbow pin badge initiative, to ensure greater awareness and understanding of the challenges faced by our LGBT+ patients, service users and staff and offering a symbol of support for those in need.

We have also now progressed to the next level of the government's Disability Confident scheme and are proud to be a Disability Confident employer.

The Trust signed the Government's Armed Forces Covenant in November 2021, declaring our commitment to enhancing support for those who serve, have served and their families and ensuring they are treated fairly.

Our multi-faith chaplaincy and spiritual care team continues to be in place, offering much needed support to patients, service users and staff.

The Trust is an active participant in local and regional collaborative forums, to ensure best practice is achieved across all areas of equality, diversity and inclusion and work collaboratively with Trusts across Cheshire and Merseyside and the wider north west region.

The organisation continues to ensure its compliance with key reporting requirements, including Workforce Race Equality Standards (WRES), Workforce Disability Equality Standards (WDES) and gender pay gap reporting, with annual reports accessible on the public section of the Trust's Diversity and Inclusion webpage

Feedback from all reporting requirements is included within an overarching diversity and inclusion annual report and actions identified to improve. This report can also be found here. The Trust has a diversity and inclusion steering group that monitors progress with the action plan required to ensure achievement of the Trust objectives, and has regular update reports reviewed through the workforce governance structure and to the Board of Directors.

During 2022/23 we want to further build on the excellent progress we have made with equality, diversity and inclusivity are integral within our future patient experience and people strategies.

Leadership and culture

The Trust has reviewed the leadership and management development framework (2019/2021) and refreshed this to develop a new leadership qualities framework informed by evidence and NHS strategic priorities such as the NHS People Plan and Promise. WUTH's leadership qualities framework will underpin the development offer for leadership at all levels moving forward. The new framework will develop leadership capability and support our leaders to develop and enhance key competencies including:

- compassion and Inclusion
- self-awareness
- enabling people
- transformational
- outcomes focus

This approach will ensure we have the capacity and skills needed across all levels of leadership and across disciplinary and professional boundaries. This will include leading:

- self
- teams
- services/departments
- divisions/functions and
- organisations/across the wider system

During the pandemic some training was paused or adapted to virtual delivery in accordance with COVID-19 restrictions, and to enable the workforce to prioritise the delivery of patient care. However, 'leadership for all' masterclasses have been provided to ensure ongoing access to development in bitesize chunks, with a clear focus on key priorities such as wellbeing and compassion. Additionally, delivery of the effective managers programme has continued to support ward managers. A managers' toolkit has been developed and made available to provide key information and signposting to new managers as well as support those in existing management roles.

We continue to support the future pipeline of talent by supporting divisions and departments in applying for and facilitating placements for future NHS leaders through the NHS Graduate Management Training Scheme, and co-ordinating senior leader access to the North-West Talent Pool.

The Trust is embarking on a journey to embed a just and learning culture. Engagement with staff and staff side to build understanding and inform the priorities for the first year of this programme of culture change have taken place, and further work is planned to continue and embed this approach during 2022/23.

Education

During 2021/22 education provision within WUTH for all clinical roles have undergone risk assessments to support recovery from the covid pandemic. A full review of undergraduate and post graduate programmes has taken place to ensure the organisation is meeting the quality standards of the specific professional groups working in collaboration with education providers. This involved including innovation in placements, and training delivered virtually where appropriate and continuation of face to face with robust risk assessments. Most trainees and trainers reported positive teamwork experiences and felt supported and valued in their role, despite pressures working within a pandemic.

Temporary changes to the annual review of competency progression (ARCP) process allowed trainees to progress and then catch up with missed curricula and competencies during the next training year.

A successful delivery of clinical skills/simulation/human factors has continued throughout 2021/22 seeing multi-professional learning which is designed to meet the needs of the changing healthcare environment. Programmes have been designed to support those new registrants who have trained within a pandemic. There has been a significant financial investment with the support from Health Education England to drive forward the pandemic recovery plans

Mandatory training and appraisals

Mandatory training compliance at 31 March 2022 was below the target of 90% at 87.2% and appraisal compliance was 77.8% which is below the target of 88%. Ongoing operational pressures related to the COVID-19 pandemic have contributed to this and plans are in place to address this. Plans include targeting areas of lower compliance and working with service leads to arrange team / workforce group specific actions. It is anticipated that the compliance target of 90% will be achieved by end of Q1 (2022/23).

Compliance with mandatory training and appraisals is monitored through divisions and the education and workforce governance structure. A review of governance arrangements has commenced and will continue through Q1 of 2022/23, and appraisal is also currently being reviewed with a focus on improving both compliance and quality.

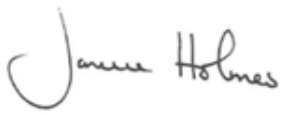
Library and knowledge service (LKS)

The LKS continues to serve staff and students on placement at WUTH and Wirral Community Health and Care NHS Foundation Trust with all their library and knowledge requirements. This enables NHS workforce members to freely access LKS resources, services and support so that they can use the right knowledge and evidence to achieve excellent healthcare and health improvement across Wirral.

During 2021/22 the LKS have undertaken the first assessment of Health Education England's Quality and Improvement Outcomes Framework (QIOF), which replaces the former Library Quality Assurance Framework and achieved the following outcomes:

- Outcome 1: Level 1 (in the top 85.8% nationally)
- Outcome 2: Level 2 (in the top 34% nationally)
- Outcome 3: Level 2 (in the top 27.6% nationally)
- Outcome 4: Level 1 (in the top 87% nationally)
- Outcome 5: Level 2 (in the top 29.5% nationally)
- Outcome 6: Level 2 (in the top 43% nationally)

Significant investment has been made to LKS facilities during 2021/22, creating a new IT suite and silent study, group study and read and relax areas.



Janelle Holmes
Chief Executive **Date: 16th June 2022**

Board of Directors - role and composition

As an NHS Foundation Trust, we are required to comply with the arrangements set out by our independent regulator, NHS England and NHS Improvement (NHSE/I), in Monitor's NHS Foundation Trust Code of Governance (2010, revised 2014). The Code of Governance requires us to have a comprehensive framework in place to ensure we are managed and governed properly.

The Board of Directors has collective responsibility for all aspects of the business of the Trust. The Board is responsible for approving the annual report and accounts. Specific responsibilities of the Board include:

- setting the organisation's strategic aims, taking into consideration the views of the Council of Governors, and ensuring the necessary financial and human resources are in place to deliver the Trust's plans
- ensuring compliance with the Trust's provider licence, constitution, mandatory guidance and contractual and statutory duties
- providing effective and proactive leadership of the Trust within a robust governance framework of clearly defined internal controls and risk management processes
- ensuring the quality and safety of services, research and education, and application of clinical governance standards including those set by NHSE/I, the CQC, NHS Resolution and other relevant bodies
- setting and maintaining the Trust's vision, values and behaviour, ensuring that its obligations to stakeholders, including patients, members, and the local community are met
- actively promoting the success of the organisation through the direction and supervision of its affairs.

The Board of Directors is held to account by the Council of Governors to discharge the Trust's accountability to the local population.

The Board of Directors has established a governance structure which sets out how performance management is organised, and assurance obtained on delivery. This is defined by the standing orders, standing financial instructions, and scheme of reservation and delegation. Together they define the governance arrangements and include decisions reserved for the Board and its committees and those delegated through the chief executive to management.

In 2021/22 the Board comprised a non-executive chair, six independent non-executive directors and four executive directors. There are three non-voting executive directors who regularly attend the Board to bring additional capacity and capability. Non-executive directors are generally appointed to a three-year term of office, with appointments phased where possible to provide stability and reduce unnecessary disruption.

The Board is supported by a director of corporate affairs who provides independent and objective advice to the Board and the Council of Governors.

The unitary nature of the Board of Directors means that non-executive and executive directors are collectively and corporately responsible for organisational performance. There is a clear division of responsibilities between the chair and the chief executive. The chair is responsible for the leadership and effectiveness of the Board of Directors and the Council of Governors, ensuring that members of both bodies receive information that is timely, accurate and appropriate for their respective duties. It is the role of the chair to facilitate the effective contribution of all directors, and for ensuring that constructive relationships exist between the Board of Directors and the Council of Governors. The chief executive is responsible for the performance of the executive directors, the day-to-day running of the Trust and the implementation of approved strategy and policies.

There were a number of changes to Board membership during the year, the details of which can be found in the remuneration report.

Non-executive directors

Sir David Henshaw, Chair

Sir David was appointed chair in February 2019, having been the interim chair from March 2018. During his time as interim chair Sir David was also the chair of Alder Hey Children's NHS Foundation Trust. At the request of the regulator, Sir David has undertaken the role of interim chair at a number of NHS Foundation Trusts.

Alongside his valuable experience within the health arena, Sir David has worked extensively in local government. He spent ten years at Knowsley Borough Council before being appointed as chief executive of Liverpool City Council, a role which he occupied for seven years. Sir David has undertaken non-executive director roles in a number of public and private organisations including the chair of Manchester Academy for Health Sciences and for Albany Investment PLC.

He is currently chair of National Museums Liverpool, and chair of Natural Resources, Wales. He is a trustee at North Wales Heritage Trust.

Sir David's current term of office runs from 19 February 2022 to 19 February 2025.

John Sullivan, Vice Chair and Chair of Workforce Assurance Committee

John was appointed as a non-executive director in July 2015.

He has extensive international manufacturing, business change and HR experience at senior levels in ICI, Texaco Canada Inc, Ineos Chlor Ltd, Sanofi Aventis Ltd and Novartis Vaccines & Diagnostics Ltd. From 2013 to 2019 he provided management consultancy and executive coaching support to senior manufacturing and general management leaders in various industries.

John has been a Chartered Chemical Engineer for over 30 years and holds an MBA from York University, Toronto, Canada.

John's second term of office, which ended on 30 June 2021, was extended by a year to 30 June 2022.

Steve Igoe, **Senior Independent Director, Chair of Audit Committee and Safety Management Assurance Committee**

Steve was appointed as non-executive director / senior independent director in October 2018 and brings a wealth of experience to the Trust. He was previously a non–executive director and senior independent director at Alder Hey Children's NHS Foundation Trust.

Steve is also the Deputy Vice-Chancellor of Edge Hill University where he has responsibility for the operational areas of capital projects, financial services, human resources, IT services, learning services, strategic policy & planning, and facilities management. He is also a director of several of Edge Hill's commercial enterprises.

He graduated with a first degree in Law from the University of Liverpool. He subsequently qualified as a Chartered Accountant in 1988 and went on to become a senior manager at PricewaterhouseCoopers, with specific expertise in project management and advising listed PLCs on corporate governance and risk management.

Steve's current term of office runs from 30 September 2021 to 30 September 2024.

Sue Lorimer, Chair of Finance Business Performance and Assurance Committee

Sue was appointed as a non-executive director in July 2017. She has spent most of her career in NHS finance, mainly in the provider sector and is an associate member of the Chartered Institute of Management Accountants. She took up her first finance director post in 1990 and has held Board level posts in a variety of NHS providers including ambulance, community and specialised services. She joined the NHS Trust Development Authority, (later

NHS Improvement) when it was formed in 2013, taking the lead on provider finance across the north of England.

Sue is a keen supporter of training and development and was a trustee of the Healthcare Financial Management Association for 9 years, taking the role of president in 2015.

Sue's current term of office runs from 30 June 2020 to 30 June 2023.

Chris Clarkson

Chris was appointed as a non-executive director in July 2018 and brings with him great knowledge and experience of technology developments and project management from his career in the aerospace Industry.

Having held a number of senior executive level positions with BAE Systems, Chris has worked both nationally and internationally. His primary talents and interest are within the areas of technology development, project management and leadership where he has made many notable achievements.

Chris has a strong wish to support the community and the NHS through sharing his wealth of experience supporting the organisation and its dedicated workforce.

Chris' current term of office runs from 30 June 2021 to 30 June 2024.

Steve Ryan, Chair of Quality and Safety Committee

Steve was appointed as a non-executive director in January 2021. Steve was a consultant paediatrician and specialised mainly in general paediatrics but included specialty work in his clinical career. He spent some time in academic practice - his main research interests being in nutrition of premature babies and headaches in children.

Steve has over 12 years of experience as an executive medical director at Alder Hey Children's NHS Foundation Trust and at Barts Health NHS Trust. He undertook a range of regional strategic roles including being the clinical chair of the NHS Next Stage ("Darzi") review in the north west in 2008. Whilst in London he provided leadership in the transformation of young people's mental health services and in the reconfiguration of cancer and cardiac services.

Steve's current term of office runs from 18 January 2021 to 17 January 2024.

Jayne Coulson (to November 2021)

Jayne was appointed as a non-executive director in July 2018 and brings with her great knowledge and business executive insight having worked in several blue-chip organisations including BT, HSBC and Marks and Spencer. Jayne is also the director of service at Experian UK.

She has held a number of executive level positions across differing operational areas: HR, customer service and people development. Jayne's primary talents and interest sit within the areas of transformation and leadership, where she has made many notable achievements across several business areas.

Executive directors

Janelle Holmes, Chief Executive

Janelle was appointed as Chief Executive in June 2018, having already spent two years at the Trust as Chief Operating Officer.

Janelle has worked in the NHS since qualifying as a Registered General Nurse in 1991. She is passionate about service improvement, staff development and whole system working to improve patient outcomes and experience.

Nikki Stevenson, Medical Director

Dr Nikki Stevenson joined the Trust in 2007 as a consultant physician in respiratory & general (internal) medicine. In 2015 she became clinical service lead for respiratory medicine, and in 2018 was appointed associate medical director for medical and acute specialties.

She was appointed as medical director in October 2018 and was also appointed Deputy CEO in April 2020. She continues to undertake clinical work; both in respiratory outpatient clinics and by participating in the medical on-call rota.

Nikki is a trained mentor and coach with a keen interest in education, research and quality improvement.

Hazel Richards, Chief Nurse (to August 2021)

Hazel joined the Trust as chief nurse in January 2020. She joined us from her previous role as director of nursing for integration at Liverpool University Hospitals Foundation Trust. Prior to this she was the director of nursing for Cheshire & Merseyside, NHS England for three years. Over the last decade, Hazel has held several executive director of nursing posts in acute, mental health and community Trusts.

She has a strong track record of improving services for patients and staff, through her passion for patient and family centred care. In 2011, she was awarded the Florence Nightingale Leadership Scholarship which afforded her the opportunity to advance this work and study at Harvard Business School, USA.

Tracy Fennell, Chief Nurse (from November 2021)

Tracy qualified in 1997. Tracy has worked in a number of leadership roles across a number of acute trusts, including Lancashire Care NHS Foundation Trust (covering mental health and community). Tracy's career has included several corporate roles in clinical education, quality improvement, nursing strategy, workforce development and assurance.

Tracy joined WUTH as deputy chief nurse 2018. Tracy has contributed to key initiatives in international nurse recruitment, setting up the vaccination hub and developing the patient experience strategy.

Claire Wilson, Chief Finance Officer (to March 2022)

Claire joined the Trust in January 2020 from Liverpool Heart and Chest NHS Foundation Trust where she was chief finance officer. Prior to that appointment, Claire had been the chief finance officer at NHS Bury Clinical Commissioning Group. During her career, Claire has worked in finance roles in a number of NHS organisations in the north-west. She has also worked as Chief of Staff to the Chief Finance Officer of NHS England. Claire is a trustee of the Healthcare Financial Management Association.

Having held several senior roles at local, regional and national level, Claire brings a wealth of financial experience and expertise to the work of the Board.

Hayley Kendall - Chief Operating Officer (non-voting) (from January 2022)

Hayley joined the Trust in January 2022 having spent six years at Liverpool Heart and Chest Hospital latterly as the chief operating officer. Hayley previously working at WUTH and the Countess of Chester Hospital NHSFT in a number of operational management roles.

Anthony Middleton, Chief Operating Officer (to June 2021)

Anthony was appointed as chief operating officer in June 2018 having previously held the post of director of operations. Prior to joining the Trust, Anthony had spent 30 years working in the Warrington and Manchester health systems.

Having started work in finance through contracting and performance before moving into operational management, including directing the day-to-day operations of some of Manchester's biggest hospitals.

Matthew Swanborough, Director of Strategy & Partnership (non-voting)

Matthew Swanborough joined the Trust in November 2019. Prior to this, he was director of resilience at Manchester University NHS Foundation Trust. Matthew has also held a number of operational roles at Manchester University Hospitals NHS Foundation Trust including director of operations at Manchester Infirmary and Trust turnaround director, directing the financial recovery programme.

Prior to this, Matthew worked as a director of healthcare consulting at PricewaterhouseCoopers LLP in Sydney, Australia, leading on service improvement, financial recovery and mergers with a range of public and private healthcare organisations.

Deborah Smith, Chief People Officer (non-voting) (from December 2021)

Deborah initially joined WUTH in May 2021 in an interim role. Following an open and transparent recruitment process Deborah was appointed as chief people officer in December 2021. Deborah has worked in the NHS for over 10 years, coming through the NHS Graduate Management Training Scheme. Deborah has worked as a human resources and organisational development professional in several NHS Trusts. Prior to joining WUTH, she was the deputy chief people officer at Warrington and Halton Hospitals NHS Trust

Jacqui Grice, Director of Workforce (non-voting) (to August 2021)

Jacqui was appointed as the director of workforce in October 2020 having joined the Trust on an interim basis in July 2020. She has been a workforce lead and director across the NHS including roles in the Department of Health, primary care trust, the acute sector as well as working in a tertiary hospital in the Middle East. Jacqui has also worked in other sectors including the British Equestrian Federation, DVLA, Highways Agency and BT.

Robbie Chapman, Acting Chief Finance Officer (from March 2022)

Robbie joined the Trust as deputy chief financial officer in October 2020. He has worked in a number of sectors including housing and higher education. Robbie is non-executive director for the Russet Learning Trust.

Robbie is a member of Chartered Institute of Public Finance and Accountancy.

Margaret Barnaby, Chief Operating Officer (interim (non – voting) (July 2021 – January 2022)

Margaret has extensive senior experience working in the NHS. She has held a number of roles, both in a substantive and interim capacity, responsible for the planning and delivery of services and in the strategic and operational management of change.

Board meetings and attendance

The Board of Directors met on 12 occasions in 2021/22. Each meeting was quorate. Board member attendance at the meetings was as follows:

Director	Meeting Attendance Actual/ Possible
Sir David Henshaw (Chair)	8/12
John Sullivan (Deputy Chair)	11/12
Steve Igoe (Senior Independent Director)	9/12
Sue Lorimer (Non-Executive Director)	9/12
Chris Clarkson (Non-Executive Director)	11/12
Jayne Coulson (Non-Executive Director)	2/9
Steve Ryan (Non-Executive Director)	11/12
Janelle Holmes (Chief Executive)	11/12
Nicola Stevenson (Medical Director)	11/12
Anthony Middleton (Chief Operating Officer)	4/4
Matthew Swanborough (Director of Strategy & Partnerships)	10/12
Hazel Richards (Chief Nurse)	5/6
Claire Wilson (Chief Finance Officer)	11/12
Jacqui Grice (Director of Workforce)	1/4
Deborah Smith (Chief People Officer)	10/10
Mags Barnaby (Interim Chief Operating Officer)	2/5
Tracy Fennell (Chief Nurse)	2/3
Hayley Kendall Chief Operating Officer)	2/2

Directors' interests

Under the Trust constitution, members of the Board are required to declare any interest which may conflict with their appointment. The Board of Directors reviews their respective register of declared

interests on an annual basis to identify any potential conflicts of interest. No such conflicts of interest have been identified. Directors are required to make known any interest in relation to matters being discussed at a Board meeting, and any changes to their declared interests.

In 2021/22 the chair had no significant commitments outside of the Trust that conflicted or impacted upon his ability to meet his responsibility as chair.

The registers of interest for the Board of Directors available to the public on the Trust's website via https://www.wuth.nhs.uk/about-us/governance/

Balance, completeness and appropriateness

In accordance with the requirements of the NHS Foundation Trust Code of Governance, the Board considers each of the non-executive directors, including the chair, to be independent in character and judgement and has identified no relationships or circumstances that are likely to affect, or appear to affect, their judgement. The criteria considered by the Board in determining the independence of the non-executive directors were, whether the individual:

- had been an employee of the Trust within the last five years.
- has, or has had within the last three years, a material business relationship with the Trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Trust.
- has received, or receives, remuneration from the Trust in addition to a director's fee, participates in a performance-related pay scheme or is a member of the Trust's pension scheme.
- has close family ties with any of the Trust's advisers, directors or senior employees.
- holds cross-directorships or has significant links with other directors through involvement in other companies or bodies.
- has served on the Board of the Trust for more than six years from the date of their first appointment.
- is an appointed representative of the Trust's university, medical or dental school.

Performance evaluation of the Board, its committees and individual directors is undertaken in a number of ways including annual review of its business cycle and periodic review of committee terms of reference.

The Board believes that its composition is appropriate with a good balance of skills, experience and length of service, but also recognises the value of effective and timely succession planning. All directors participate in an annual appraisal process which includes evaluation of their performance against agreed objectives.

The chair appraises all non-executive directors. The senior independent director appraises the chair, taking into account the views of other Board members and members of the Council of Governors in accordance with the national guidance published by NHSEI in 2019. Appraisals have been

undertaken for all non-executive directors. Outcomes of the appraisals of the chair and non-executive directors are reported to the Nomination Committee of the Council of Governors with appraisals undertaken in 2021/22 to be reported in due course.

The chief executive appraises executive directors, and the chair appraises the chief executive. A report on outcomes of these appraisals is presented to the Remuneration & Appointments Committee of the Board of Directors. Appraisals undertaken in 2021/22 will be reported to the Committee in due course.

Board of Directors' committees

The Board of Directors undertakes regular reviews to ensure that the Trust maintains a robust committee structure which enables it to fulfil its purpose. The Board delegates specific functions to its committees as outlined within their terms of reference and the scheme of reservation and delegation.

During the COVID-19 pandemic, the Trust regularly reviewed its governance arrangements reducing the frequency of committee meetings, where appropriate and/or with prioritised agendas. The Trust followed NHSI guidance. During 2021/22 the following committees took place:

- Audit (ten meetings)
- Finance Business Performance and Assurance (11 meetings)
- Quality & Safety (six meetings)
- Workforce Assurance (five meetings)
- Safety Management Assurance (five meetings)
- Charitable Funds (four meetings)
- Capital (four meetings)
- Remuneration & Appointment (six meetings).

All committees have access to legal services and resources required to discharge their respective responsibilities.

Reports are presented to the next Board of Directors following the committee meeting to provide a summary of the key areas of discussion and any resultant actions to be monitored by the committee.

Audit Committee

The Audit Committee membership consists of non – executives only. Its purpose is to scrutinise the Trust's risk and assurance structure and processes to ensure they are effective and support all aspects of the Trust's business.

The Audit Committee met ten times during 2021/22. Five meetings related to consideration of the issues relating to workforce controls. All meetings were quorate and a Chair's report was submitted to the Board of Directors following each meeting to outline the key areas of discussion and actions to be undertaken to address any issues identified.
Attendance at the Committee meetings was as follows:

Committee Member	**Meeting attendance Actual / possible**
Steve Igoe, Chair	10/10
John Sullivan	10/10
Jayne Coulson	4/5

Audit Committee members have met in private with both internal and external auditors and are committed to continuing with this practice.

The principal areas of review and significant issues considered by the Audit Committee during 2021/22 reflecting key objectives of the committee are summarised below:

- internal control and risk management arrangements
- review of risks and controls around financial management, including losses, special payments and financial assurance.
- audit reports and follow up actions.
- control issues relating to workforce arrangements with specific areas of concern relating to payroll, recruitment checks and information systems.
- data quality controls and risks.

Financial assurance - significant issues considered by the Audit Committee during 2021/22.

The Committee discussed a number of significant accounting issues for the year ended 31 March 2022. These included the following matters:

- revenue recognition.
- management override of controls.
- going concern.
- payroll and workforce controls.
- non-pay spend control and waivers
- bad debt policy

The majority of the audit risks are inherent to most reporting organisations and the Committee was content that these matters would not have an adverse impact in relation to audit work on the 2021/22 financial statements.

Going concern was discussed at the meetings in April 2022 and guidance from NHSEI was considered. Guidance from NHSEI confirmed that while all NHS bodies are required to document their basis for adopting the going concern basis, the assessment should solely be based on the anticipated future

provision of services in the public sector meaning that it would be highly unlikely that NHS organisations would have any material uncertainties over going concern to disclose, although this would still be subject to sufficient and appropriate audit procedures by external audit.

In addition, the Committee critically assessed the appropriateness of the accounting policies adopted and were satisfied that the policies were reasonable and appropriate.

The Trust's land and buildings (including dwellings) are valued at £144m as at 31 March 2022 representing a significant balance on the Statement of Financial Position. As discussed in Note 1 to the accounts, valuation is an area of critical judgement and estimation uncertainty. The Audit Committee has discussed and approved the Trust's annual cycle of revaluation (with full revaluation every 5 years the last one taking place as at 31 March 2019.

Internal audit

Throughout the year the Committee has worked effectively with internal audit to ensure the design and operation of the Trust's internal control processes are sufficiently robust. A summary of the internal audits and the assurances provided are included within the annual governance statement.

A number of internal audits were undertaken during the year including a review of financial systems, integrity and reporting. This review generated a 'substantial' assurance opinion, defined as "a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently", providing the committee with assurance as to the figures for the year that have been included within the financial statements.

Compliance

On an annual basis the Board considers an assessment of compliance with the Trust's licence and identifies any areas of risk for the forthcoming financial year. This includes compliance with condition 4 – Foundation Trust Governance. These conditions are detailed within the corporate governance statement, the validity of which was assured by the Audit Committee in May 2022 through review of the evidence.

Internal Audit Services

Internal audit was provided by Mersey Internal Audit Agency (MIAA) during 2021/22. The main purpose of the internal audit is:

- to provide an independent and objective opinion to the Accountable Officer, the Board and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives; and

- the provision of an independent and objective consultancy service specifically to assist the Trust's management to improve the organisation's risk management, control and governance arrangements.

The service is based on a risk-assessed audit plan, which is approved by the Audit Committee. The plan is delivered by appropriately qualified and trained auditors led by a nominated Audit Manager.

The 2021/22 internal audit plan was delivered in accordance with the schedule agreed with the Audit Committee at the start of the financial year, except for the tissue viability, risk management and data security and protection toolkit (DSPT) reviews which have yet to be finalised.

The total cost for the service during 2021/22 was £123k.

Anti-fraud and corruption

Anti-fraud services are provided by MIAA. The anti-fraud specialist regularly attends the Committee to update on proactive anti-fraud work, ongoing cases and progress against the work plan agreed by the Audit Committee.

The anti-fraud services annual report for 2021/22 was considered by the Audit Committee in April 2022. The Audit Committee noted the assurance provided by the outcomes of the self-assessment against the Government Functional Standard for Counter Fraud with 10 of the 13 standards rated green and three amber, providing an overall rating of green. The standards rated as amber relate to the following:

- 3 – the fraud risk assessment has been completed but has not yet been assessed under the Trust's risk management policy and the risks entered onto the risk register.
- 11 – whilst fraud awareness training is provided as part of the induction programme and supported by fraud awareness materials there is no formal fraud awareness training nor evaluation.
- 12 – further work is required to improve compliance with the Trust policy for declaring conflicts of interests, gifts and hospitality.

Actions are planned for 2022/23 to improve compliance against the above standards.

External audit

Azets Audit Services were appointed by the Council of Governors for three years from 2020/21 with the option to extend for a further two-year period. The total fees for the 2021/22 annual audit were £120k excluding irrecoverable VAT. The external audit providers did not undertake any non-audit work during the 2021/22 reporting period.

Quality governance

The Board is committed to quality governance and ensures that the combination of structures at Board level and below supports the delivery of quality throughout the Trust. Trust has a quality governance and assurance structure which has been formally approved by the Board of Directors. The Quality Committee monitors performance in quality and patient experience. It also monitors compliance with CQC standards.

All methods of feedback including incidents, complaints, claims and formal reviews are analysed to ensure that lessons are learnt.

Further assurance of our quality systems and processes has been gained from internal assessments and external reviews. The Trust will produce a Quality Account which includes quality objectives set to improve patient safety, experience and outcomes. This will be published on 30 June 2022.

NHS Improvement's well-led framework

The NHSI well-led framework provides a structure for trusts to assess their arrangements for effective leadership and governance. The Trust commissioned an independent developmental review of its leadership and governance arrangements in 2021/22. Further information can be found in the annual governance statement.

The Trust recognises that further work is required to strengthen its engagement with patients and the public in relation to shaping its services. Activity in this area has also been impacted by the pandemic but there are initiatives planned, including improving investigations by strengthening the voice of staff, while engaging patients and family. Further information can be found in the performance report, the code of governance and the annual governance statement. Following the publication of the CQC inspection report in March 2020, the Trust has made significant progress in both the response to requirements and recommendations made with quarterly updates provided to the Board.

Council of Governors

Role and composition

The Council of Governors has responsibility for representing the interests of our members and partner organisations. A principal role of the Council of Governors is to hold non-executive directors, individually and collectively to account for the performance of the Board of Directors.

The Council of Governors comprises:

- 13 public governors

- five staff governors
- four seats assigned to nominated partner organisations including two seats assigned to nominations from Wirral Metropolitan Borough Council.

Our governors are appointed for a three-year term and may serve up to a maximum of nine years if they are re-elected / re-appointed and they continue to:

- reside in the area of their constituency (public governors).
- be in employment at the Trust (staff governors).
- be nominated by the organisation they represent (appointed governors).

Governor elections

Civica Election Services manages the elections on behalf of the Trust. One round of elections took place in 2021/22 in accordance with the model election rules. Elections took place in seven public constituencies (four unopposed) and two staff constituencies (both unopposed). We are delighted to welcome both new governors and those who have been re-elected. We currently have vacancies in one public constituency and one staff constituency which we will run elections for in 2022.

Governor attendance at Council of Governor meetings 2021/22

The following tables list the governors who have served as a governor during 2021/22, their term of office and attendance at Council of Governors meetings. Four meetings of the Council of Governors were held in 2021/22.

Public Governor (Elected)	**First Elected**	**Current Term Expires**	**Meeting Attendance 2021/22**
Bidston & Claughton			
Rohit Warikoo	February 2015	September 2021	0/2
Alan Morris	October 2021	October 2024	1/2
Birkenhead, Tranmere & Rock Ferry			
Frieda Rimmer	November 2016	September 2022 (stood down June 2021)	0/1
Sarah Evans	October 2021	October 2024	0/2
Bromborough & Eastham			
Steve Evans	September 2014	September 2023	4/4
Bebington and Clatterbridge			
Tony Cragg	October 2021	October 2024	1/2

Public Governor (Elected)	First Elected	Current Term Expires	Meeting Attendance 2021/22
Greasby, Frankby, Irby, Upton & Woodchurch			
Eileen Hume	September 2015	October 2024	3/4
Heswall, Pensby & Thingwall			
Robert Thompson	December 2020	September 2023	3/4
Leasowe, Moreton, & Saughall Massie			
Allen Peters	September 2018	September 2021	2/2
Paul Ivan	October 2021	October 2024	1/2
Liscard & Seacombe			
Christine House	October 2021	October 2024	0/2
Neston, Little Neston, Parkgate, Riverside, Burton, Ness, Willaston & Thornton			
Alison Owens	December 2020	September 2023 (stood down November 2021)	1/2
New Brighton & Wallasey			
Sheila Hillhouse (lead governor October 2021)	September 2017	September 2023	4/4
North West & North Wales			
Angela Tindall (lead governor to end September 2021)	February 2015	September 2021	2/2
Peter Israel Peters	October 2021	October 2024	0/2
Oxton & Prenton			
Paul Dixon	September 2018	September 2024	1/2
West Wirral			
Andrew Tallents	October 2021	October 2024	2/2
Heswall, Pensby & Thingwall			
Robert Thompson	December 2020	September 2023	3/4
Staff Governor (Elected)	**First Elected**	**Current Term Expires**	**Meeting Attendance 2022/22**
Medical Practitioners & Dentists			
Richard Latten	February 2018	September 2021	2/2
Anand Kamalanathan	October 2021	October 2024	0/2
Nurses & Midwives			
Pauline West	September 2018	September 2021	2/2
Ann Taylor	September 2018	September 2024	2/2

Public Governor (Elected)	First Elected	Current Term Expires	Meeting Attendance 2021/22
Diana Tyson	October 2021	October 2024	0/2
Other Trust Staff			
Philippa Boston	December 2020	September 2023	3/4

Stakeholder Governor (appointed)	First Appointed	Current Term Expires	Organisation	Meeting Attendance 2021/22
Mike Collins	May 2019	September 2022	Wirral Metropolitan Borough Council	0/4
Irene Williams	May 2019	September 2022	Wirral Metropolitan Borough Council	0/4

Board member attendance at Council of Governor meetings 2021/22

Name	Role	Meeting attendance actual / possible
Sir David Henshaw	Chair	3/4
Steve Igoe	Non-Executive Director/ Senior Independent Director	4/4
Sue Lorimer	Non-Executive Director	2/4
Jayne Coulson	Non-Executive Director	0/3
John Sullivan	Non-Executive Director/ Deputy Chair	4/4
Chris Clarkson	Non-Executive Director	2/4
Steve Ryan	Non-Executive Director	4/4
Janelle Holmes	Chief Executive	1/4
Anthony Middleton	Chief Operating Officer	1/1
Nicola Stevenson	Medical Director	4/4
Matthew Swanborough	Director of Strategy & Partnership	4/4
Hazel Richards	Chief Nurse	2/2
Claire Wilson	Chief Finance Officer	4/4
Jacqui Grice	Director of Workforce	1/1
Tracy Fennell	Chief Nurse	2/2
Deborah Smith	Chief People Officer	2/2
Hayley Kendall	Chief Operating Officer	2/2

Strengthening the links between the Governors and the Board

The chair has ensured that the Board of Directors and Council of Governors work effectively together through the provision of timely and appropriate information and attendance of Board members at Council of Governors' meetings. Opportunities for governors to meet with Board members have been impacted by the pandemic but as restrictions are lifted these will be re-introduced.

Non-executive directors are also invited to public events where they can meet members, such as the Annual Members' Meeting. Each of the Board's assurance committees has a public governor in attendance and all governors are invited to observe the Board of Directors' meetings.

Members of the Board attend the meetings of the Council of Governors to present information and respond to questions raised by governors. The non-executive directors who chair Board committees present an overview of the work of their committee on a rotational basis enabling the Council of Governors to discharge their responsibility to hold the non-executives to account for the performance of the Board.

Strengthening excellent relationships with governors and members

The Trust considers the views of the Council of Governors to be invaluable in representing the local population and helping ensure that the views of our patients are reflected in our decision-making.

A development programme for governors is being refreshed to incorporate induction, attendance on externally facilitated training and internal development. During 2021/22 opportunity to hold the workshops with governors has been limited due to the pandemic. The induction session incorporated an overview of the statutory role of governors and how the Trust works with governors to fulfil their statutory role.

The Trust will work with the governors during 2022/23 to support them in their role including their key role in membership and engagement.

Members of the Trust

Our members play a vital role in influencing the way we serve our local communities, and we are committed to ensuring that our membership is representative of the population we serve. We currently have 8,339 public members and 6,643 staff members.

Members support the Trust in a variety of ways, including:

- voting in governor elections
- acting as a yardstick of public opinion about our plans
- volunteering.

The Trust welcomes members from the age of 11 and they are eligible to stand in an election to become a governor from the age of 16.

The public constituency divided into 14 geographical areas which are included in the table above.

Our staff membership is open to anyone employed by the Trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months; or has been continuously employed for at least 12 months. Staff members are automatically recruited and may 'opt out' on request, though to date, no members of staff have opted out of membership.

The classes within the staff constituency are as follows:

- registered medical practitioners and registered dentists
- registered nurses and registered midwives
- other healthcare professional staff
- other Trust staff.

Our Annual Members' Meeting took place on 18 October 2021 by digital link. The event was well attended and the presentations are available on the Trust website.

Wirral University Teaching Hospital Annual Members' Meeting | Wirral University Hospital NHS Foundation Trust (wuth.nhs.uk)

Membership strategy

We believe that our membership makes a real contribution to improving the health of our communities. Our emphasis is to ensure good representation across our communities and encouraging an active and engaged membership. We intend to target recruitment activity towards under-represented groups within the communities we serve.

The Trust intends to develop an effective membership scheme as an integral part of its vision to be a leading provider of outstanding care. The Council of Governors has a critical role to play in developing a representative membership scheme with effective mechanisms for supporting engagement with governors and members. This work will be progressed in 2022/23.

Membership profile

Membership size and movements		
Public constituency	**2020/21**	**2021/22**
At year start (1st April)	8,633	8,498
New members	12	7
Members leaving	147	166
At year end (31st March)	8,498	8,339
Staff constituency	**2020/21**	**2021/22**
At year start (1st April)	6,258	6,474
New members	949	1,051
Members leaving	749	882
At year end (31st March)	6,474	6,643

Any member who wishes to communicate with governors and / or directors should contact the Trust Secretary at:

Executives' Offices,
Wirral University Teaching Hospital NHS Foundation Trust,
Arrowe Park Hospital,
Arrowe Park Road,

There are no material inconsistencies between the annual governance statement, the corporate governance statement, the annual report and reports arising from CQC planned and responsive reviews of the Trust and any consequent action plans developed by the Trust.

HM Treasury cost allocation and charging guidance

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

Policy on the payment of suppliers

It is the Trust's policy to follow the Better Payment Practice Code (BPPC), which gives NHS organisations a target of paying 95% of invoices within 30 calendar days of the receipt of either goods or a valid invoice (whichever is later), unless other payment terms have been agreed.

	2021/22		2020/21	
	Number	£000	Number	£000
Non-NHS				
Trade invoices paid in the period	81,790	260,090	74,366	228,230
Trade invoices paid within target	77,378	249,794	67,025	213,351
Percentage of trade invoices paid within target	94.6%	96.0%	90.1%	93.5%
NHS				
Trade invoices paid in the period	3,135	44,904	3,267	43,234
Trade invoices paid within target	2,794	42,670	2,261	38,303
Percentage of trade invoices paid within target	89.1%	95.0%	69.2%	88.6%

There were no payments of interest in 2021/22 (none in 2020/21) under the Late Payment of Commercial Debts (Interest) Act 1998, as disclosed in Note 11.2 to the accounts.

Political donations

The Trust did not receive any political donations during the reporting period or in the previous financial year.

Fees and charges (income generation)

During the year the Trust received income in relation to fees charged for car parking and catering against which costs were incurred and the full cost exceeded £1m.

Totals relating to these arrangements are disclosed below.

	2021/22 £000	2020/21 £000
Income	1,370	937
Full Cost	(1,923)	(1,899)
Surplus/(Deficit)	(553)	(962)

The figures above represent income and cost from car parking and catering operations within the trust. In line with all Trusts car parking charges were suspended as a result of the pandemic for most of the financial year. In addition, the reduction in visitor numbers onto our hospital sites resulted in a loss of income in our refreshment outlets.

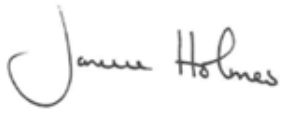
Income for the purposes of the health service in England

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 (principal) must be greater than its income from the provision of goods and services for any other purposes (non-principal). The Trust has met this statutory requirement. Non-principal income is used to provide additional funding for the Trust. It is directly reinvested in the delivery of high-quality NHS services.

Statement of disclosure to auditors

Each of the Trust directors (excluding those who have resigned during the financial year):

- is not aware of any relevant audit information of which the Trust's auditors are unaware
- 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 Trust's auditor is aware of that information.



Janelle Holmes
Chief Executive **Date: 16th June 2022**

Remuneration Report

This report to stakeholders:

- sets out the Trust's remuneration policy
- explains the policy under which the chair, executive directors and non-executive directors were remunerated for the period 1 April 2021 to 31 March 2022.
- sets out tables of information showing details of the salary and pension interest of all directors for the financial period 1 April 2021 to 31 March 2022.

Annual statement on remuneration

The Remuneration & Appointments Committee is a statutory committee of the Board of Directors. Membership of the committee comprises the chair and all non-executive directors.

Salaries for all directors are considered carefully on appointment and approved by the Remuneration & Appointments Committee. Steps are taken to ensure that remuneration is commensurate with an individual's experience and with reference to benchmarking data. The aim is to remunerate senior managers at a level sufficient to attract and retain whilst avoiding excessive payments.

The Remuneration and Appointments Committee also considered the Trust's people plan which sets out our commitment to promoting equality and inclusion.

Members of the Remuneration & Appointments Committee have no financial interest in the matters to be decided. The chief executive, chief people officer and director of corporate affairs normally attend meetings except where their own salaries or performance were discussed. The Committee met on six occasions during the year to consider:

- recruitment and appointment of a chief nurse and chief people officer, including interim arrangements.
- interim arrangements following secondment of the chief operating officer to an external role and subsequently arrangements for a substantive appointment.
- appointment of a director of corporate affairs.
- appointment of a fixed term winter resilience director in response to operational pressures during that period.
- recommendation to increase the salary of a divisional director to achieve greater parity within divisional director posts.
- agreement that no annual pay increase will be awarded to very senior managers in line with recommendations from ministers.

The Trust had two senior managers whose salary was above the threshold of £150,000. In determining the salary levels, the Trust has taken into account the market rates for equivalent roles, its ability to secure the skills it requires and the risks posed in not recruiting to these positions.

Attendance at Remuneration and Appointments Committee in 2021/22.

	Meeting Attendance Actual / Possible
Sir David Henshaw, Chair	5/6
Sue Lorimer	5/6
John Sullivan	6/6
Chris Clarkson	6/6
Jayne Coulson (to October 2021)	1/5
Steve Igoe	4/6
Steve Ryan	6/6

Senior managers' remuneration policy

Element	Purpose and strategy	Operation	Maximum
Salary	To attract and retain high calibre individuals and reflect level of responsibility	All the executive directors are remunerated based on a local VSM scale system which is reviewed regularly by the Remuneration and Appointments Committee.	Change to basic salary is usually enacted as a percentage increase in line with national Agenda for Change pay arrangements, to ensure parity across the Trust.
Taxable Benefits	To attract and retain high calibre individuals	This covers a vehicle scheme.	£4000
Pension Related Benefits	To attract and retain high calibre individuals	Directors are eligible for membership of the NHS pension scheme	In line with the NHS Pension Scheme.

Service contract obligations

Appointments to executive director positions are made in open competition and can only be terminated by resolution of the Board other than in cases of normal resignation. Directors hold permanent contracts with a standard six-month period of notice. Non-executive directors are appointed for a period of three years and can only be removed in accordance with Monitor's Code of Governance.

Loss of office

All contracts for executive directors are substantive NHS contracts and are subject to the giving of six months' notice by either party. The Trust's normal disciplinary policies apply to executive

directors, including the sanction of instant dismissal for gross misconduct. The Trust's redundancy policy is consistent with NHS redundancy terms for all staff. In the eventuality of a senior manager's loss of office, the chief executive (for executive directors) or the chair (for the chief executive) may alter, postpone or disallow any individual payment they deem appropriate. These actions must be supported by the Remuneration and Appointments Committee. There were no loss of office payments in the current year.

Council of Governors' Nomination Committee

Under the Trust's Constitution it is the responsibility of the Council of Governors to appoint and remove the chair and the non-executive directors of the Trust and to determine their remuneration. The Council of Governors' Nomination Committee is responsible for making recommendations to the Council of Governors for appointment. Removal of the chair or a non-executive director requires the approval of three quarters of the members of the Council of Governors voting in person at the meeting.

The Committee met twice during the year. The first meeting recommended the extension to the chair's term of office for a further three-year term effective from 1 March 2022. The meeting also recommended an extension of the senior independent director's term of office for a further three-year term effective from 1 October 2021. Both recommendations were approved by the Council of Governors. The meeting also considered plans for recruitment of a non-executive director following resignation and plans in relation to appointment to the vice chair. An update on recruitment was provided to the second meeting. The Committee also reviewed its terms of reference.

Nomination Committee membership and attendance 2021/22

Name	Role	Meeting attendance actual/possible
Sir David Henshaw	Chair	2/2
Steve Igoe	Senior Independent Director	2/2
Steve Evans	Public governor	2/2
Richard Latten	Staff governor	2/2
Angela Tindall	Lead governor (Public)	2/2

Annual report on remuneration

Directors' and governors' expenses

Expenses paid to directors and governors include all business expenses arising from the normal course of business of the Trust and are paid in accordance with Trust policy. The total amount of expenses reimbursed to one director during the year was £51 (eight directors reimbursed £2,563 in 20/21). In 2021/22 18 directors and non-executive directors held office (17 in 2020/21).

No expenses were reimbursed to during the year (three governors were reimbursed £115 in 2020/21). 26 governors held office in 2021/22 (18 in 2020/21).

Remuneration disclosures which are subject to audit

The following disclosures up to and including Hutton review of fair pay, are subject to audit.

Salaries and benefits of senior managers

	2021/22				2020/21			
	Salary & fees (in bands of £5,000) £000	**Taxable benefits** (to the nearest £100) £	**Pension-related benefits** (in bands of £2,500) £000	**Total** (in bands of £5,000) £000	**Salary & fees** (in bands of £5,000) £000	**Taxable benefits** (to the nearest £100) £	**Pension-related benefits** (in bands of £2,500) £000	**Total** (in bands of £5,000) £000
Janelle Holmes Chief Executive	175 - 180	5,500	42.5 - 45	225 - 230	175 - 180	5,500	47.5 - 50	230 - 235
Dr Nicola Stevenson [5] Medical Director	210 - 215	0	57.5 - 60	270 - 275	200 - 205	0	105 - 107.5	305 - 310
Hazel Richards [3] Chief Nurse (to August 2021)	50 - 55	1,700	0	55 - 60	125 - 130	4,000	117.5 - 120	245 - 250
Tracy Fennell Interim Chief Nurse (fom October 2021)	45 - 50	0	42.5 - 45	90 - 95	n/a	n/a	n/a	n/a
Claire Wilson [4] Chief Finance Officer	135 - 140	4,000	0	140 - 145	135 - 140	4,000	0	140 - 145
Robbie Chapman Interim Chief Finance Officer (from March 2022)	5 - 10	0	0 - 2.5	10 - 15	n/a	n/a	n/a	n/a
Anthony Middleton [6] Chief Operating Officer (to June 2021)	30 - 35	1,000	5 - 7.5	40 - 45	130 - 135	4,000	40 - 42.5	175 - 180
Margaret Barnaby Interim Chief Operating Officer (from July 2021)	55 - 60	0	7.5 - 10	65 - 70	n/a	n/a	n/a	n/a
Hayley Kendall Chief Operating Officer (from January 2022)	30 - 35	1,000	0	30 - 35	n/a	n/a	n/a	n/a
Jacqui Grice Executive Director of Workforce (to August 2021)	50 - 55	0	0	50 - 55	60 - 65	0	0	60 - 65
Debs Smith Chief People Officer (from December 2021)	35 - 40	1,300	10 - 12.5	45 - 50	n/a	n/a	n/a	n/a
Matthew Swanborough Director of Strategy and Partnership	120 - 125	4,000	32.5 - 35	155 - 160	120 - 125	4,000	30 - 32.5	155 - 160
Helen Marks [1] Executive Director of Workforce (to June 2020)	n/a	n/a	n/a	n/a	35 - 40	5,000	n/a	40 - 45
Paul Moore [2] Director of Governance & Quality Improvement (to July 2019) Acting Chief Nurse and Director of Governance & Quality Improvement (from July 2019 to December 2020) Director of Governance & Quality Improvement (to July 2020)	n/a	n/a	n/a	n/a	30 - 35	0	0 - 2.5	30 - 35

Salaries and benefits of senior managers Continued

	2021/22				2020/21			
	Salary & fees (in bands of £5,000) £000	Taxable benefits (to the nearest £100) £	Pension-related benefits (in bands of £2,500) £000	Total (in bands of £5,000) £000	Salary & fees (in bands of £5,000) £000	Taxable benefits (to the nearest £100) £	Pension-related benefits (in bands of £2,500) £000	Total (in bands of £5,000) £000
Sir David Henshaw Chairman	45 - 50	0	n/a	45 - 50	45 - 50	0	n/a	45 - 50
John Coakley OBE [7] Non-Executive Director (to Dec 2020)	n/a	n/a	n/a	n/a	10 - 15	0	n/a	10 - 15
Christopher Clarkson Non-Executive Director	10 - 15	0	n/a	10 - 15	10 - 15	0	n/a	10 - 15
Jayne Coulson Non-Executive Director (to November 2021)	5 - 10	n/a	n/a	5 - 10	10 - 15	0	n/a	10 - 15
Steve Igoe Non-Executive Director	15 - 20	0	n/a	15 - 20	15 - 20	0	n/a	15 - 20
Susan Lorimer Non-Executive Director	10 - 15	0	n/a	10 - 15	10 - 15	0	n/a	10 - 15
John Sullivan Non-Executive Director	15 - 20	0	n/a	15 - 20	15 - 20	0	n/a	15 - 20
Steve Ryan Non-Executive Director (from Jan 2021)	10 - 15	0	n/a	10 - 15	0 - 5	n/a	n/a	0 - 5

[1] Prior year figures only, this officer is no longer employed by the Trust
[2] Prior year figures only, this officer is no longer employed by the Trust
[3] This officer retired and has taken the benefits on pension
[4] This officer was employed by the Trust for the full financial year, however, stepped down from CFO role at the end of February 2022 to take up a secondment with Cheshire & Merseyside Healthcare Partnership
[5] The element of the Medical Director's remuneration above includes both remuneration for their management role as Medical Director, and remuneration for their clinical role as a Consultant Respiratory Physician. The element included which relates to their clinical role is in the range £100k - £105k
[6] This officer was employed by the Trust for the full financial year, however, was on secondment to Cheshire & Merseyside Healthcare Partnership from July 2021
[7] Prior year figures only, this officer is no longer employed by the Trust

Unless otherwise indicated, all the listed senior managers were in post for the twelve-month period to 31 March 2022. The tables include remuneration only for the period during which each individual was deemed to be a senior manager and includes remuneration for duties that are not specifically part of the senior management role.

The element of the medical director's remuneration above includes both remuneration for their management role as medical director, and remuneration for their clinical role as a consultant respiratory physician. The element included which relates to their clinical role is in the range £100k - £105k.

Taxable benefits relate to a vehicle scheme which forms part of some executives' remuneration. No annual performance-related bonuses or long-term performance-related bonuses were paid during the period.

Pension-related benefits represent the value of pension benefits accrued during the year and are calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. The value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table below provides further information on the pension benefits accruing to the individual.

Pension benefits of senior managers

	2021/22							2020/21						
	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2022 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	Cash equivalent transfer value (CETV) at 1 April 2021 (to the nearest £1,000)	Real increase in CETV (to the nearest £1,000)	CETV at 31 March 2022 (to the nearest £1,000)	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2021 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2021 (bands of £5,000)	Cash equivalent transfer value (CETV) at 1 April 2020 (to the nearest £1,000)	Real increase in CETV (to the nearest £1,000)	CETV at 31 March 2021 (to the nearest £1,000)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Janelle Holmes Chief Executive	2.5 - 5	0 - 2.5	55 - 60	155 - 160	1,144	47	1,223	2.5 - 5	0 - 2.5	55 - 60	155 - 160	1,052	49	1,144
Dr Nicola Stevenson Medical Director	2.5-5	0 - 2.5	65 - 70	140 - 145	1,158	53	1,225	5.5 - 7	7.5 - 10	60 - 65	140 - 145	1,013	91	1,158
Hazel Richards [1] Chief Nurse (to August 2021)	0	0	40 - 45	90 - 95	953	0	183	5 - 7.5	10 - 12.5	50 - 55	120 - 125	816	104	953
Tracy Fennell Interim Chief Nurse (from October 21)	0 - 2.5	2.5 - 5	30 - 35	60 - 65	469	38	565	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Claire Wilson [2] Chief Finance Officer	0	0	0	0	0	0	0	0	0	30 - 35	80 - 85	521	0	529
Robbie Chapman Interim Chief Finance Officer (from March 2022)	0 - 2.5	0	0 - 5	0	7	0	25	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Anthony Middleton Chief Operating Officer (to June 2021)	0 - 2.5	0	60 - 65	130 - 135	1,049	8	1,107	2.5 - 5	0 - 2.5	55 - 60	130 - 135	972	41	1,049
Margaret Barnaby [3] Interim Chief Operating Officer (from July 2021)	0 - 2.5	0	30 - 35	80 - 85	749	0	98	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hayley Kendall [4] Chief Operating Officer (from January 2022)	0 - 2.5	0	0 - 5	0 - 5	0	0	6	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jacqui Grice Executive Director of Workforce (to August 2021)	0 - 2.5	0	25 - 30	65 - 70	549	2	579	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Debs Smith Chief People Officer (from December 2021)	0 - 2.5	0	10 - 15	0	108	3	134	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Matthew Swanborough Director of Strategy and Partnerships	2.5 - 5	0	10 - 15	0	112	9	140	0 - 2.5	0	10 - 15	0	85	7	112
Paul Moore [5] Director of Governance & Quality Improvement (to July 2019) Acting Chief Nurse and Director of Governance & Quality Improvement (from July 2019 to December 2020) Director of Governance & Quality Improvement (from January 2020)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0 - 2.5	0	40 - 45	100 - 105	734	4	777

1 Member has retired and taken the 1995 benefits on pension, no CETV for that scheme available

2 This officer chose not to be covered by the pension arrangements during the reporting year or previous reporting years

3 This officer has no exisitng scheme CETV as is over pension age

4 This officer is a new member to the scheme, has no prior year comparators

5 Prior year figures only, this officer is no longer employed by the Trust

Non-executive directors do not receive pensionable remuneration. Other directors disclosed in the 'salaries and benefits table', who do not appear in the 'pensions benefits' table, are not in receipt of workplace pension benefits. All pension benefits relate to the NHS Pension Scheme.

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

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.

Hutton review of fair pay

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. The amounts disclosed in the current year include March 2022 average annualised amounts for bank and agency staff that were excluded from the 2020-21 disclosure.

The banded remuneration of the highest-paid director (Medical Director) in the organisation in the financial year 2021-22 was £210k-£215K (2020-21, £200k to £205k). This is a change between years of 5% reflecting higher clinical excellence awards in the current year.

Total remuneration includes salary, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. There was no performance related pay and therefore this is not included.

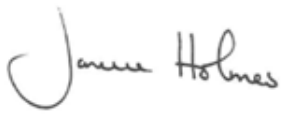
For employees of the Trust as a whole, the range of remuneration in 2021/22 was from £0 to £493k (2020-21 £0k to £433k). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 6%. The salary of £0k reflects those staff on extended unpaid leave and also those in receipt of prior month adjustments, reducing their salary to this amount. Twenty-eight employees received remuneration in excess of the highest-paid director in 2021-22. These employees were all medical staff and their pay figures were calculated on the basis of March 2022 annualised full-time equivalent salary. This calculation methodology is consistent with that used in 2020-21.

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

2021/22	25th Percentile £000	Median £000	75th Percentile £000
Total Pay and benefits (Excluding Pension Benefits)	21.8	29.5	40.8
Pay & Benefits, excluding pension for highest paid director		210-215	
Pay ratio for highest paid director	9.7	7.2	5.2

2020/21	Median £000
Total Pay and benefits (Excluding Pension Benefits)	28.0
Pay & Benefits, excluding pension for highest paid director	200-205
Pay ratio for highest paid director	7.2

In light of the ongoing effects of the pandemic, and the need to focus resources on the recovery effort, employers have been required to take the same approach as last year and to have equally distributed this year's Clinical Excellence Awards (CEA) funds (and any remaining from previous years) among all eligible consultants as a one-off, non-consolidated payment in place of a normal CEA round. The investment ratio for LCEAs in 2021-2022 was set at 0.218 (0.218 points per eligible consultant, cumulative total 1.242 points per eligible consultant).



Janelle Holmes
Chief Executive **Date: 16th June 2022**

The Trust's employees

The number of whole-time equivalents (WTE) employed by the Trust as at March 2022 was 5,571.75 WTE and the total number of employees (headcount) were 6,643. The following table provides a more detailed breakdown of our employees by WTE and headcount for 2021/22 (as at March 2022). This is broken down by the number of male and female employees and by staffing groups.

	Female		Male		Total WTE	Total Headcount
Staff Group	WTE	Headcount	WTE	Headcount		
Add Prof Scientific and Technic	157.32	176	35.27	38	192.59	214
Additional Clinical Services	991.81	1188	168.81	180	1160.62	1368
Administrative and Clerical	815.92	945	246.15	257	1062.06	1202
Allied Health Professionals	287.29	355	90.80	96	378.09	451
Estates and Ancillary	363.11	658	257.69	310	620.81	968
Healthcare Scientists	88.56	103	42.60	45	131.16	148
Medical and Dental	202.31	224	253.08	273	455.39	497
Nursing and Midwifery Registered	1426.73	1639	144.31	156	1571.04	1795
Grand Total	**4333.05**	**5288**	**1238.70**	**1355**	**5571.75**	**6643**

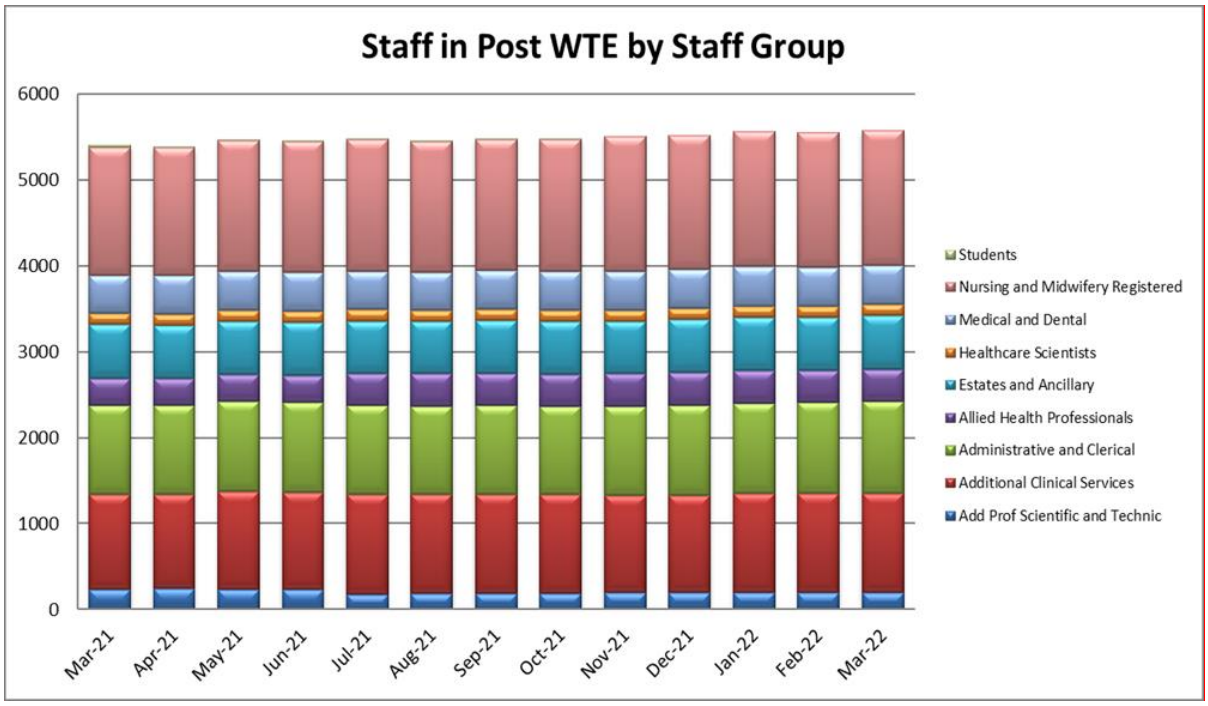
	Female	Male	Total
Board of Directors	7	7	14
Other Senior Managers	254	85	339
Consultants	109	173	282
Other staff	4918	1090	6008

Employee category	Permanently employed	Other	2021/22 Total	Permanently employed	Other	2020/21 Total
Medical and dental	674	41	715	665	59	724
Administration & estates	927	33	960	926	197	1,123
Healthcare assistants and other support staff	1,861	166	2,027	1,851	113	1,964
Nursing, midwifery and health visiting staff	1,544	130	1,674	1,489	139	1,628
Scientific, therapeutic and technical staff	569	14	583	557	21	578
Healthcare science staff	132	6	138	130	3	133
Other	8	-	8	-	7	7
Total average staff numbers	5,715	390	6,105	5,618	539	6,157
of which						
Number of employees engaged on capital projects	5	-	5	7	-	7

The average number of employees is calculated as the whole-time equivalent number of employees under contract of service in each week of the financial year, divided by the number of weeks in the financial year. Staff on external secondment are not included in the table above.

The 'other' category (column) in the above table represents agency and contract staff and bank staff.

The 'other' category (row) in the above tables includes non-executive directors and engagements without a permanent employment contract, including agency / temporary staffing and inward secondments from other organisations.



The Trust has a total vacancy rate of 4.97%. For our nursing staff it is 4.80% and for our medical and dental workforce 3.02% (excluding junior doctors). However, for consultant medical staff we have a vacancy rate of 0.43%. The Trust is committed to reducing vacancy rates with a focus on recruitment and retention initiatives.

Other salaries and wages costs include payments to St Helens and Knowsley NHS Trust as the lead employer for our junior doctors and external bank staff.

	Permanently employed	Other	2021/22 Total	Permanently employed	Other	2021/22 Total
Salaries and wages	208,636	12,881	221,517	204,413	13,338	217,751
Social security costs	21,300	-	21,300	19,566	-	19,566
Apprenticeship levy	1,107	-	1,107	943	-	943
Employer's contributions to the NHS Pension Scheme	35,735	-	35,735	34,152	-	34,152
Employer's contributions to the National Employment Savings Scheme (NEST)	604	-	604	-	-	-
Bank and agency staff	-	32,421	32,421	-	27,559	27,559
Total pay costs	267,382	45,302	312,684	259,074	40,897	299,971

Staff policies and actions applied during the financial year

The Trust's workforce policies and procedures are reviewed and updated as per the review cycle; this is superseded if legislation, best practice, agenda for change or national recommendations require an earlier review.

The Trust is proactive in its focus and efforts to be an inclusive employer and promote equality and diversity for our patients and staff. Details can be found in the performance section of the report.

A new overtime policy has been introduced as per a recommendation of MIAA to improve approvals and management across the Trust. The transitioning at work policy (previously known as the gender reassignment policy) has been fully reviewed and changes made including terminology, reference to treatment appointments and amendments based on national guidance and internal feedback (including the inclusion of further support documents). The annual leave policy – medical and dental staff, has been fully reviewed and appropriate changes made to reflect the annual leave entitlements to SAS Grades, and to ensure consistency in the way annual leave is calculated and taken.

Recent changes in agenda for change and contractual rights in relation to flexible working have meant significant changes to the Trust's flexible working policy. Workshops have taken place with key staff groups to determine how the new process will be implemented across the organisation and enable governance and oversight at Board level.

Of note is the ongoing refresh and rewrite of the Trust's bullying and harassment policy, fairness at work (grievance) policy and disciplinary policy which are being reviewed against the 'just culture principles' being implemented throughout the organisation. A series of just and learning employee engagement workshops have been held across the Trust. These have been led by an executive, supported by the organisational development team. Findings from these sessions are currently being reviewed to inform the next steps, shape priorities and ensure presence and sustainability. The work is intended to support an organisational culture of high quality and safety, underpinned by compassionate and collective leadership.

HR and staff side have a positive working relationship. Divisional staff side meetings are in place to informally address local matters. There are also monthly HR and staff side partnership meetings and bi-monthly HR policy pay terms and conditions meetings. More formal / strategic matters are collectively considered by the partnership steering group, which is chaired on a rotational basis between the chief people officer and staff side chair. These are designed to develop a culture of conversation enabling staff side to openly raise concerns, so that issues can be jointly combatted before they escalate more formally in line with our policies and procedures.

Freedom to speak up (FTSU)

The Trust continues work to positively influence its culture where speaking up is regarded as usual to effect cultural change in line with recommendations and guidance from the National Guardian's Office (NGO). The chief people officer is the Trust's executive lead for FTSU matters, along with Steve Igoe, who is the non-executive lead.

The Trust has seen a reduction in the number of people speaking up this year with 128 people speaking up in 2021/22 as opposed to 157 people in 2020/21. This reduction is seen as positive as there was a significant increase in people speaking up during 2020/21 and data now has greater alignment with regional and national averages.

Our 2021/22 data shows that people accessing the speak up service are from all divisions and a range of occupational groups

The Trust continues to see a reduction in the number of anonymous reports it has received, with only one anonymous concern received this year.

The network of FTSU champions continues to grow, with 20 now in place. The FTSU champions promote the importance of speaking up locally, signposting people to key contacts and support, including FTSU guardians. The Trust will continue to grow and develop this network. The Trust also recognises the need to link with the diversity and inclusion agenda and to further encourage staff who share protected characteristics to speak up. We are therefore proud to have four FTSU champions from our multicultural staff network, two staff from our disabilities staff network and one from our Rainbow Alliance. We will continue to grow these links further within 2022/23.

The Trust has recently identified further FTSU champions from its disability and LGBT+ (lesbian, gay, bisexual and transgender) staff networks, with further Trust-wide promotions to follow.

The Trust continues to record and monitor data on the number of people who have spoken up to FTSU guardians and the themes of their concerns. Regular reports are considered through the workforce governance structure and up to the Board of Directors.

The Trust continues to be proactive with the development and delivery of training to support staff raising concerns. The Trust has successfully rolled out the National Guardian's Office (NGO) e-

learning programme with levels 1 and 2, with 81.17% of staff having completed level 1 and 78.32% level 2. A level 3 programme has now been released nationally and work will be undertaken to ensure integration across the Trust.

The 2021 national staff survey results highlight an improvement in the number of staff who would feel secure raising concerns about unsafe clinical practice. This has increased from 66.9% to 71.3% of staff. The number of staff who feel confident that the organisation would address their concern has increased from 53.5% to 56% of staff. Both results are the highest they have been in the 5-year comparative reporting period.

The Trust continues to link with regional and national FTSU Guardians and NGO representatives to ensure consistency, best practice and support for FTSU guardians is in place.

Staff turnover

The Trust has a target of ensuring turnover of staff is no more than 10%. This equates to a maximum rate of 0.83% monthly. We are currently not meeting this target and are working hard to improve retention and recruitment practices including learning lessons from areas with relatively low turnover as well as work to strengthen our workforce policies and practices generally.

Turnover is monitored and actioned at a divisional level and at a Trust wide level via the workforce governance structure. A review of the exit interview process is ongoing.

International nurse recruitment continues. 180 nurses were recruited in 2021 and the Trust is on target to deliver its plan of 100 international nurse recruits for 2022. The intention is to complete delivery in time for the winter so the Trust can expect the last cohorts to be arriving in September /October 2022.

Recruitment is ongoing for newly registered nurses. The Trust is part of a regional project 'Repair' in collaboration with local universities and practice education network to improve the retention of student and newly qualified nurses.

Action is being taken to review, improve and centralise some core recruitment processes for nursing and clinical support workers. Guaranteed interviews are being offered on completion of the Care Certificate and being promoted with 3rd year students who are about to commence placement at WUTH. The Trust has plans for three cohorts of clinical support worker apprenticeships (20-30 per cohort) with the aim of reducing vacancies.

Information on staff turnover is published by NHS Digital and available through the link below.

NHS workforce statistics - NHS Digital

Staff experience and engagement

The NHS staff survey was undertaken by an independent external organisation between September and November 2021. The Trust used both paper based and electronic (via email) surveys to maximise access and completion.

This year was the largest return rate in the last 5 years with a 5% increase on 2020, with 2,907 responses, totaling 46% response rate. Trust results were compared with the acute and community & acute sector of 126 trusts.

From 2021/22 the survey questions align to the seven elements of the NHS 'People Promise' and retains the two previous themes of engagement and morale. These replace the ten indicator themes used in previous years. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.

People Promise theme results for 2021

People Promise Elements	Trust score	Benchmark
We are compassionate and inclusive	7.1	7.2
We are recognised and rewarded	5.7	5.8
We each have a voice that counts	6.5	6.7
We are safe and healthy	5.9	5.9
We are always learning	5.1	5.2
We work flexibly	5.8	5.9
We are a team	6.4	6.6

NHS staff survey 2019 and 2020 themes

Theme/Question	**2019 Trust**	**2019 Benchmark**	**2020 Trust**	**2020 Benchmark**
Equality, diversity and inclusion	9.2	9.0	9.3	9.1
Health and wellbeing	5.7	5.9	6.0	6.1
Immediate managers	6.7	6.8	6.6	6.8
Morale	6.1	6.1	6.1	6.2
Quality of care	7.4	7.5	7.5	7.5
Safe environment – bullying & harassment	7.8	7.9	8.1	8.1
Safe environment- violence	9.4	9.4	9.5	9.5
Safety culture	6.5	6.7	6.6	6.8
Team-working	6.3	6.6	6.3	6.5
Staff engagement Score	6.8	7.0	6.9	7.0

The Trust scored 'on average' or slightly below average, but not statistically significantly so, when benchmarked with comparators across all the people promise domains. Below are the scores for the

two themes that remain a key benchmark for the national survey, 'engagement' and 'morale'. There is a statistically significant drop in results reported in this year's survey when compared with 2020 for both themes.

Themes	2020 score	2021 score
Staff engagement	6.9	6.7
Morale	6.0	5.7

Areas of focus for the forthcoming year:

- understand and address issues underlying staff **looking forward to coming to work** and staff **recommendation of the Trust as a place to work or receive treatment.**
- development for **immediate managers** to help empower them to better support their direct reports.
- ensure staff are **recognised and rewarded** for good performance.
- explore lower scores in '**autonomy and control**.' Seek to **involve staff** in key decisions.
- continued priority of **health and wellbeing and stress at work**
- review **learning and development** opportunities for staff. Analyse further according to professional groups.
- explore lower scores within '**flexible working**' and '**team working** 'will have been affected by COVID-19.

The 2021 staff survey results will be used as one of a number of engagement diagnostics that enable 'staff voice' to be heard and acted upon. The results of this year's survey will be used to shape the priorities for this year's people strategy together with divisional and wider Trust plans. It is anticipated that a programme will be implemented during April and May 2022, to ensure all staff can access the results, and contribute their ideas and shape the plans.

Trade union facility time disclosure

Facility time is time off from an individual's job, granted by the employer, to enable a representative to carry out their trade union role. In some cases, this can mean that the union representative is fully seconded into a union/staff side role, from their regular job, enabling them to work full time on trade union tasks.

Facility time covers duties carried out for the trade union or as a health and safety representative or union learning representative. In most cases this means, accompanying employees to disciplinary or grievance hearings, attending partnership working group meetings, assisting with job matching and consistency checking procedures under Agenda for Change processes. It also covers training received and duties carried out under the Health and Safety at Work Act 1974.

In accordance with The Trade Union (Facility Time Publication Requirements) Regulations 2017 which took effect on 1 April 2017 the table below has been collated and represents the main staff facility time afforded at WUTH in the year. There may be very small additional ad hoc time that has also been granted which is not quantifiable.

Number of employees who were relevant union officials during the year 2021-22	11
Whole Time Equivalent number of employees	4.28 wte
Percentage of full-time (i.e., 37.5 hrs per week spent on Union Duties:	
100%	2
51-99%	6
1-50%	1
0%	2
Total cost of facility time at WUTH	£166,888
Percentage of total pay bill spent on union facility time	0.053%

Sickness absence

The average attendance rate during 2021/2022 was 93.3% (6.7% sickness rate). Monitoring of sickness absence and return to work interviews take place through the divisional management arrangements with reporting through to Workforce Assurance Committee and the Board.

The Trust worked with NHSE/I to conduct a deep dive into sickness absence data between 2018/2021. Work ongoing on six themes that were developed following this deep dive. Work has also been done on a further, more detailed review of the Trust attendance management policy. The analysis highlights that the top two reasons for absence are 'anxiety, stress, depression, other psychiatric illness' and 'back/other MSK'.

As a response the Trust trialled a new role of a dedicated welfare and wellbeing manager within hotel services. Based on quantitative and qualitative success factors, the role has now been made permanent and is an exemplar.

The Trust has worked with North-West Employers (NWE) and delivered a new Supporting People to Manage Attendance Programme to over 25 staff. NWE are currently conducting an evaluation and the impact of this training on participants.

In response to operational pressures as a result of the Omicron variant, a new temporary COVID-19 absence support team was set up in January 2022. The team made contact via telephone with staff absent with COVID-19 symptoms or those self-isolating. The Team gathered information about likely to return to work dates, as well as providing support and advice to facilitate the return. This team was very well received across the Trust. Their work has now transitioned to the contact tracing team (CTT) who will now perform these duties as an enhanced service provision for the Trust.

A range of support mechanisms has been introduced including a workforce winter wellbeing plan which continues to be implemented Trust wide. Occupational health (OH) has increased mental health and wellbeing support. They have recruited an additional psychotherapist to support and strengthen the Trust's mental health response for counselling and cognitive behavioural therapy. OH has also procured the recruitment of an OH specialist physiotherapist to manage MSK related injuries with a focus on return and fitness to work as well as provide MSK resilience training to promote early identification and management of MSK injuries.

The NHS People Plan sets out the ambition that every member of the NHS should have a health and wellbeing conversation with their line manager. All preparatory work for a full roll out of these wellbeing conversations has been completed, ahead of the 1 April 2022 launch.

Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by NHS Digital from ESR Data Warehouse		
Average FTE 2021	Adjusted FTE days lost to Cabinet Office definitions	FTE-Days Available	FTE-Days Lost to Sickness Absence	Average Sick Days per FTE
5436	78,165	1,984,216	126,800	14.4

Source: NHS Digital - Sickness Absence and Workforce Publications - based on data from the ESR Data Warehouse January to December 2021.

National sickness absence data is published through NHS Digital and is available through the link provided below:
https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Expenditure on consultancy

Total expenditure on consultancy during 2021/22 was £0.6m (£0.7m 2020/21).

Off-payroll arrangements

The Trust is required to report on its highly paid and/or senior off-payroll engagements. The tables below meet the disclosure requirements.

Table 1: For all off-payroll engagements as of 31 March 2022, for more than £245 per day and that last for longer than six months.

Number of existing engagements as at 31 March 2022	73
Of which	
Number that have existed for less than one year at time of reporting	68
Number that have existed for between one year and two years at time of reporting	5
Number that have existed for between two years and three years at time of reporting	0
Number that have existed for between three years and four years at time of reporting	0
Number that have existed for between four or more years at time of reporting	0

The Trust has robust contractual agreements with agencies and intermediaries, through which it engages off-payment workers. These contracts confer an explicit obligation on the agencies to undertake an assessment and calculate and deduct tax.

Table 2: All new off-payroll engagements, or those that reached six months in duration, between 1 April 2021 and 31 March 2022, for more than £245 per day and that lasted longer than six months.

Number of new engagements, or those that reached six months in duration, between 1 April 2021 and 31 March 2022	6
Of which	
Number assessed as within the scope of IR35	5
Number assessed as not within the scope of IR35	1
Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Table 3: For any off-payment engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022.

Number of off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, during the year	0
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year, including both off-payroll and on-payroll engagements	0

Exit packages

Foundation trusts are required to disclose summary information of staff exit packages which have been agreed in the year. Foundation Trusts are required to disclose summary information of staff exit packages which have been agreed in the year. This section is subject to audit.

Exit package cost band (including any special payment element)	2021/22 Number of complulsory redundancies Number	2021/22 Number of other departures agreed Number	2021/22 Total number of exit packages by cost band Number	2020/21 Number of complulsory redundancies Number	2020/21 Number of other departures agreed Number	2020/21 Total number of exit packages by cost band Number
< £10,000	-	23	**23**	-	23	**23**
£10,001 - £25,000	1	2	**3**	-	1	**1**
£25,001 - £50,000	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-
Total number of exit packages	**1**	**25**	**26**	**-**	**24**	**24**
Total resource cost (£000)	**11**	**81**	**92**	**-**	**71**	**71**

There was one compulsory redundancy in 2021/22 and none in 2020/21. In 2021/22, 13 of the departures were as a result of dismissal (12 cases 2020/21), and a further 5 were voluntary resignation (6 cases 2020/21). A further 6 cases comprised pay in lieu of notice relating to ill-health

(6 cases 2020/21). Ongoing costs related to ill-health retirements are met by NHS Pensions and are not included in this disclosure.

The following table details the number and value of non-compulsory exit packages agreed in the year. The expense associated with these departures may have been recognised in part or in full in a previous period.

	2021/22 Agreements Number	2021/22 Total value of agreements £000	2020/21 Agreements Number	2020/21 Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Contractual payments in lieu of notice	24	68	24	71
Exit payments following employment tribunals or court orders	1	13	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total average staff numbers	**25**	**81**	**24**	**71**

A single exit package can be made up of several components, each of which will be counted separately in the above table, whereas the first table details individual departures.

Non-contractual exit packages require HM Treasury pre-approval. No such payments were made in 2021/22.

Gender pay gap

The Trust is required to publish data about its gender pay gap information on an annual basis. Data is based on a snapshot date of 31 March each year (for the public sector) and is based on six calculations as required under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

The Trust's overall mean gender pay gap between male and female colleagues has been positively reducing over the last few years and data for this year (as at 31 March 2022) shows it has stayed the same at 21.1%. The median gender pay gap however has increased this year from 6.2% in favour of males to 8.8%. Whilst there is an average gender pay gap this continues to improve although we remain 14.2% below the NHS national average of 23%. Work continues to understand the reasons behind any gaps and actions are taken, where appropriate, to reduce the gender gap.

We have observed a continued reduction in the median bonus pay gap from 13.5% to 5.6% however slight increase in the mean bonus pay gap from 19% to 19.2%

The Trust continues to have higher proportion of female colleagues (79.2% female and 20.8% male employees) across all pay quartiles. However the lowest ratio of female colleagues is in the highest pay quartile.

The proportionality of females accessing bonus payments continues to be lower than that of males, with 0.54% of eligible females receiving bonus pay compared with 5.81% of eligible males and further work will be undertaken in 2022/23 to explore further areas for improvement.

Bonus pay gaps relate mainly to clinical excellence awards (CEA) and discretionary points and can be correlated to the number of male consultants who have additional service with the Trust and are therefore at higher levels of award. In line with national guidance and local agreements, due to the impact of COVID on the service, CEA's were distributed evenly to all eligible colleagues on rounds again this year and not linked to an application process.

National changes to employer-based awards were also introduced, whereby awards will be subject to a review and awarded for a limited time period. It is therefore hoped that this may result in future improvements of the pay gap going forwards.

The Trust's gender pay gap report is available on the diversity and inclusion public section of the website.

NHS Foundation Trust Code of Governance Disclosures

NHS foundation trusts are required to provide a specific set of disclosures in their annual report to meet the requirements of the Code of Governance. Schedule A to the Code of Governance specifies everything that is required within these disclosures. Schedule A is divided into six categories:

1) statutory requirements of the Code of Governance but do not require disclosures

2) provisions which require a supporting explanation, even where the NHS foundation trust is compliant with the provision*

3) provisions which require supporting information to be made publicly available, even where the NHS foundation trust is compliant with the provision

4) provisions which require supporting information to be made to governors, even where the NHS foundation trust is compliant with the provision

5) provisions which require supporting information to be made to members, even where the NHS foundation trust is compliant with the provision and

6) other provisions where there are no special requirements as per 1-5 above and there is a "comply or explain" requirement. The disclosure should therefore contain an explanation in each case where the trust has departed from the Code of Governance, explaining the reasons for the departure and how the alternative arrangements continue to reflect the main principles of the Code of Governance (see pages 13-16 of that document).

* Where the information is already contained within the annual report, a reference to its location is sufficient to avoid unnecessary duplication.

The information in the paragraph and table below only covers items falling into category 2 and category 6 above.

The requirements of parts 2 and 6 of schedule A to the Code of Governance are listed below. This table also includes requirements that are not part of the Code of Governance but are required by the FT ARM.

Wirral University Teaching Hospital 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 table below sets out the sections of the Code of Governance where the Trust is required to provide specific disclosures.

Part of schedule A (see above)	Code of Governance reference	Summary of requirement	Trust Response
2: Disclose	A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.	The Trust has a schedule of matters reserved for the Board which is contained within the scheme of reservation and delegation. The Trust also has an approved constitution which details the roles and responsibilities of the CoG and codes of conduct for Board members and the Council of Governors. The Trust's constitution contains a general statement regarding handling of disputes between the CoG and the Board.
2: Disclose	A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration[1] committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.	This information is provided in the following sections: • Directors' report • Audit Committee report • Remuneration report
2: Disclose	A.5.3	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the	Full details of governors and their terms of appointment are included in the accountability report within the Council of Governors section.

1 This requirement is also contained in paragraph 2.41 as part of the remuneration report requirements. The disclosure relating to the remuneration committee should only be made once.

		duration of their appointments. The annual report should also identify the nominated lead governor.	
Additional requirement of FT ARM	n/a	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.	Details are included in the Council Governors section.
2: Disclose	B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	Details are included in the directors' report.
2: Disclose	B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	Details are included in the directors' report.
Additional requirement of FT ARM	n/a	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated	Details are included in the directors' report.
2: Disclose	B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.	Details are included in the directors' report and within remuneration report.
Additional requirement of FT ARM	n/a	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the	N/a

		appointment of a chair or non-executive director.	
2: Disclose	B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise and included in the next annual report.	The chair's commitments are detailed in the directors' report.
2: Disclose	B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	It is the role of the governors to canvass opinion of Trust members on the Trust's forward plan. This has been impacted by the pandemic. The Trust will work to strengthen this as the pressure from COVID-19 lessens.
Additional requirement of FT ARM	n/a	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to	N/A

		propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	
2: Disclose	B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.	Details of evaluation included in directors' report.
2: Disclose	B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.	The Trust commissioned an independent developmental review leadership and governance arrangements under NHSEI well-led framework. The review was undertaken by Deloitte LLP. There is no other connection between Deloitte LLP and the Trust.
2: Disclose	C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). See also ARM paragraph 2.95.	Included in annual report in following sections: • directors' report • auditor's report • annual governance statement
2: Disclose	C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	The Trust's annual report contains a statement that the review of the effectiveness of its system of internal control has been undertaken.

			Contained in annual governance statement
2: Disclose	C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	The Trust's annual report discloses that the Trust has an internal audit function, its structure and its role. Contained in Audit Committee section.
2: Disclose	C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.	N/a
2: Disclose	C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed. • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the	The annual report contains a separate section on the role of the Audit Committee

		appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.	
2: Disclose	D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	N/A.
2: Disclose	E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	Details are included in the annual report in the Council of Governors' section
2: Disclose	E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Details of the Trust membership profile is contained in the annual report in the membership section. The Trust will develop a membership strategy in 2022/23 as an integral part of its vision to be a leading provider of outstanding care and review its effectiveness.

2: Disclose	E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	The website and the Trust's annual report contains contact procedure for anyone who wishes to contact the Trust's Governors. Included within annual report within the Council of Governors section
Additional requirement of FT ARM	n/a	The annual report should include: • a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership. • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members.	Included within annual report within the Council of Governors' section
Additional requirement of FT ARM (based on FReM requirement)	n/a	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how	This information is provided within the annual report with a link to the Trust website.

		members of the public can gain access to the registers instead of listing all the interests in the annual report. See also ARM paragraph 2.22 as directors' report requirement.	
6: Comply or explain	A.1.4	The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery	Performance, quality and finance management systems in place to measure and monitor the Trust's effectiveness, efficiency and economy and quality of its healthcare delivery and safeguard patient safety The Board reviews the Trust's performance at each of its meetings via the monthly quality and performance and finance reports. The Trust's resources are managed within the governance framework which includes the scheme of delegation and standing financial instructions. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources. The Trust has an established system for identifying and managing risk. Details are included in the annual governance statement.
6: Comply or explain	A.1.5	The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance	The Board receives and reviews the Trust's Integrated performance report on a monthly basis. This contains relevant metrics, measures, milestones and accountabilities to understand and assess progress and delivery of performance.
6: Comply or explain	A.1.6	The board should report on its approach to clinical governance.	The Board is committed to quality governance and ensures that the combination of structures and processes at Board level and below

			supports quality performance throughout the Trust. Included in the annual report.
6: Comply or explain	A.1.7	The chief executive as the accounting officer should follow the procedure set out by NHS Improvement (Monitor) for advising the board and the council and for recording and submitting objections to decisions.	The CEO follows all relevant procedures.
6: Comply or explain	A.1.8	The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life	The Trust has an approved constitution and has a managing conflicts of interest policy which references the Nolan Principles. Trust has established vision and values and expected underpinning behaviours following consultation with staff and range of stakeholders (on website).
6: Comply or explain	A.1.9	The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.	The Board of Directors has a code of conduct which is based on the Nolan Principles.
6: Comply or explain	A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.	The necessary insurance cover is provided by the Trust's subscription to NHS Resolution. Additional directors' and officers' insurance has been commissioned from a commercial insurance provider.
6: Comply or explain	A.3.1	The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.	Included in the Directors' report.
6: Comply or explain	A.4.1	In consultation with the council, the board should appoint one of the independent non-executive	The Trust has a senior independent director.

		directors to be the senior independent director.	
6: Comply or explain	A.4.2	The chairperson should hold meetings with the non-executive directors without the executives present.	The chair holds informal meetings with the NEDs without executive directors present.
6: Comply or explain	A.4.3	Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.	Concerns are recorded in Board minutes.
6: Comply or explain	A.5.1	The council of governors should meet sufficiently regularly to discharge its duties.	The council met four times in 2021/22.
6: Comply or explain	A.5.2	The council of governors should not be so large as to be unwieldy.	The CoG has 22 members, which is comparable to other similar trusts.
6: Comply or explain	A.5.4	The roles and responsibilities of the council of governors should be set out in a written document.	This information is contained in the Trust's constitution. Governors receive an induction pack providing information about their role.
6: Comply or explain	A.5.5	The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.	Details of board member attendance included in Council of Governors' section.
6: Comply or explain	A.5.6	The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns.	The policy is that the CoG would take their concerns to the senior independent director.
6: Comply or explain	A.5.7	The council should ensure its interaction and relationship with	Board members regularly attend Council of Governors' meetings.

		the board of directors is appropriate and effective.	The director of corporate affairs acts as a conduit for the bi-directional flow of clear and unambiguous information.
6: Comply or explain	A.5.8	The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.	N/A
6: Comply or explain	A.5.9	The council should receive and consider other appropriate information required to enable it to discharge its duties.	The Council of Governors receive reports to the CoG meeting summarising the work of the Board and its committees with Board members attending to present information and answer questions.
6: Comply or explain	B.1.2	At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.	Details of Board members included in the annual report.
6: Comply or explain	B.1.3	No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.	No individuals are both a director and a governor of the NHS foundation trust.
6: Comply or explain	B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors.	The Governors' Nominations Committee and the NEDs Remuneration & Appointment Committee give consideration to succession planning, taking into account the future challenges, risks and opportunities facing the Trust and the skills and expertise required within the board of directors to meet them.
6: Comply or explain	B.2.2	Directors on the board of directors and governors on the council should meet the "fit and proper" persons test described in the provider licence.	All Board members undertake an annual fit and proper person self-certification in order to confirm their compliance with the regulations.

6: Comply or explain	B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.	The Nominations Committee considers succession planning, taking into account the future challenges, risks and opportunities facing the Trust and the skills and expertise required within the board of directors to meet them.
6: Comply or explain	B.2.4	The chairperson or an independent non-executive director should chair the nominations committee(s).	The Trust's chair is chair of the nomination committee.
6: Comply or explain	B.2.5	The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and nonexecutive directors.	The Nominations Committee and CoG have an agreed process for the nomination of a new chair and other NEDs. Recommendations made by the Nominations Committee are considered for approval by the CoG.
6: Comply or explain	B.5.2	The board, and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.	The Board of Directors is at liberty and encouraged to challenge assurances received from the executive management and may request and are provided with any additional relevant information or the assistance of external assurance.
6: Comply or explain	B.5.3	The board should ensure that directors, especially nonexecutive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.	All directors are aware that professional advice can be procured to support the delivery of their role. This is referenced in the terms of reference for the Board's committees.
6: Comply or explain	B.5.4	Committees should be provided with sufficient resources to undertake their duties.	Committees are structured and have annual work plans that are resourced.

			The Board of Directors and Council of Governors supported by the director of corporate affairs, deputy trust secretary and PA team.
6: Comply or explain	B.6.3	The senior independent director should lead the performance evaluation of the chairperson.	The SID leads the performance evaluation of the chair in accordance with framework for conducting annual appraisals of NHS provider chairs issued by NHSI in November 2019.
6: Comply or explain	B.6.4	The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members.	The chair uses the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members. The Board has a collective development programme which is being revised with external support.
6: Comply or explain	B.6.5	Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.	The Council periodically assesses its collective performance. This has not been undertaken in 2021/22 but will be progressed including work to strengthen communication and engagement with members during 2022/23.
6: Comply or explain	B.6.6	There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties.	The constitution sets out the arrangements for the removal of a Governor from the Council. (Annex 5)
6: Comply or explain	B.8.1	The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of	Executive directors who left in year, did so in accordance with their terms of contract of employment.

		employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.	
6: Comply or explain	C.1.2	The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary. See also ARM paragraph 2.12.	Included in annual report
6: Comply or explain	C.1.3	At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.	Included in the annual report and the annual operational plan required by NHS England.
6: Comply or explain	C.1.4	a) The board of directors must notify NHS Improvement and the council of governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.	Compliant. There has been nothing to report.

		b) The board of directors must notify NHS Improvement and the council of governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in: • the NHS foundation trust's financial condition. • the performance of its business; and/or • the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.	
6: Comply or explain	C.3.1	The board should establish an audit committee composed of at least three members who are all independent non-executive directors.	The Trust has an appropriately constituted audit committee.
6: Comply or explain	C.3.3	The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.	The Council of Governors approved the appointment of external auditors from 2020/21 for a period of three years.
6: Comply or explain	C.3.6	The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.	Azets Audit Services appointed for a period of 3 years with an option to extend for a further two years.
6: Comply or explain	C.3.7	When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to NHS Improvement	N/A

		informing it of the reasons behind the decision.	
6: Comply or explain	C.3.8	The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.	The Trust has robust policies and procedure in place which informs staff how to raise a concern, how their concern would be dealt with and how they would be protected and supported. This includes the freedom to speak up policy and counter fraud arrangements. Regular updates are provided by the freedom to speak up guardian to the Board of Directors.
6: Comply or explain	D.1.1	Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.	The Trust does not have a performance related payment policy for its executive directors.
6: Comply or explain	D.1.2	Levels of remuneration for the chairperson and other nonexecutive directors should reflect the time commitment and responsibilities of their roles.	Levels of remuneration for the chairperson and other non-executive directors reflect the time commitment and responsibilities of their roles and are accordance with NHSEI framework for NHS provider chairs and non-executive directors.
6: Comply or explain	D.1.4	The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.	The Remuneration Committee decides, and keeps under review, the terms and conditions of office of the Trust's executive and corporate directors including pensions and compensation payments.
6: Comply or explain	D.2.2	The remuneration committee should have delegated responsibility for setting remuneration for all executive	The Remuneration Committee has delegated responsibility for deciding and keep under review the terms and conditions of office of the Trust's executive directors.

		directors, including pension rights and any compensation payments.	
6: Comply or explain	D.2.3	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	Plan in place for phased implementation of the NHSEI framework to align remuneration for chairs and non-executive directors.
6: Comply or explain	E.1.2	The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.	Non-compliant. The Trust will draft a policy as part of its work to further strengthen partnership and community working.
6: Comply or explain	E.1.3	The chairperson should ensure that the views of governors and members are communicated to the board as a whole.	The chair of the board is also the chair of the CoG and ensures that the views of Governors and members are communicated to the Board.
6: Comply or explain	E.2.1	The board should be clear as to the specific third-party bodies in relation to which the NHS foundation trust has a duty to cooperate.	The Board is clear as to the specific third-party bodies in relation to which the Trust has a duty to co-operate and is also clear of the form and scope of the co-operation required with each of these third-party bodies. The Board is committed to working effectively with partners and stakeholders and this is reflected in the Trust's strategic aims.
6: Comply or explain	E.2.2	The board should ensure that effective mechanisms are in place to co-operate with relevant third-party bodies and that collaborative and productive relationships are maintained with relevant	The Board has ensured that effective mechanisms are in place to co-operate with relevant third-party bodies and that collaborative and productive relationships are maintained with relevant

		stakeholders at appropriate levels of seniority in each.	stakeholders at appropriate levels of seniority in each.

NHS System Oversight Framework

NHS England and NHS Improvement's NHS System Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. The framework looks at five key themes:

- quality of care, access and outcomes
- finance and use of resources
- preventing ill health and reducing inequalities
- people
- leadership and capability

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

Segmentation

Wirral University Teaching Hospital NHS Foundation Trust has been placed in segment 3 of the NHS Oversight Framework following breach of the Trust's provider licence in 2015 with the additional licence condition – Section 111. The Trust agreed to a revised set of enforcement undertakings in March 2018 in relation to financial sustainability and A & E Performance. Further details can be found in the annual governance statement.

NHS Improvement is reviewing the enforcement undertakings as defined in March 2018 and the section 111 as a consequence of stabilisation of the Board of Directors and improvement of the capability of senior leaders. This was reflected in the 'well-led' element of the CQC inspection as reported in March 2020.

This segmentation information is the Trust's position as at 16 May 2022. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England and NHS Improvement website:
https://www.england.nhs.uk/publication/nhs-system-oversight-frameworksegmentation/.

Finance and Use of Resources

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

Statement of the Chief Executive's responsibilities as the accounting officer of Wirral University Teaching Hospital NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Wirral University Teaching Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Wirral University Teaching Hospital NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

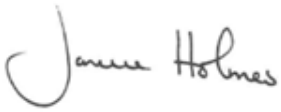
- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- make judgements and estimates on a reasonable basis.
- state whether applicable accounting standards as set out in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

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Wirral University Teaching Hospital NHS Foundation Trust, and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned Act. The accounting officer is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud

and other irregularities.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

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



Janelle Holmes
Chief Executive **Date: 16th June 2022**

1. Scope of responsibility

1.1 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

2.1 The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Wirral University Teaching Hospital 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 Wirral University Teaching Hospital NHS Foundation Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

3.1 The Board of Directors is responsible for the governance of the Trust. The Board of Directors is supported in the discharge of its role by a number of assurance committees that scrutinise and review assurances on internal control.

3.2 Responsibility and leadership are delegated through directors in accordance with the Trust's Scheme of Reservation and Delegation. This covers all aspects of governance relating to our service delivery including quality governance, clinical care, CQC and other regulatory and statutory requirements, finance and health and safety. The medical director has delegated responsibility from the chief executive for the executive leadership of risk in the Trust and is responsible for devising, implementing and embedding all risk processes throughout the organisation.

Risk management training

3.3 Training is provided to relevant staff on risk assessment, incident reporting and incident investigation appropriate to their role. New employees attend an induction programme and receive training appropriate to their role.

4. The risk and control framework

Risk management strategy

4.1 The Board of Directors recognises its responsibility to promote organisational success and to always keep risk under appropriate control. To achieve this, it is essential that we are systematic in our reporting, reviewing and learning from risk ensuring a culture of improvement. Central to this is the Trust's governance framework which describes the Trust's risk management arrangements to deliver continuous improvement in safety and quality.

4.2 The risk management framework provides a structure for the identification of risk and the co-ordination of the Trust's response. The Board approved the risk management strategy 2021-2024 in October 2021. The risk management strategy defines the risk framework and processes together with key responsibilities of the Board, its committees, individual executives and other staff. The risk management strategy is supported by the risk management policy. The policy is underpinned by several risk related policies and procedures which provide further information and guidance to staff on the management of risk.

4.3 The Trust updated its risk management policy in 2021/22 to include a revised risk scoring tool which is planned to be implemented in April 2022. The policy describes the process for managing risk and the roles and responsibilities of staff.

4.4 The Trust has an executive-led Risk Management Committee, chaired by the Medical Director, with membership including all executive directors and senior managers. The Risk Management Committee oversees the Trust's risk management arrangements to ensure:

- the correct strategy is adopted for managing risk
- controls are present and effective and
- action plans are robust for those risks that remain intolerant.

The Risk Management Committee reports through to the Trust Management Board maintaining oversight of the operational arrangements to ensure the board assurance framework (BAF) and risk register are robustly maintained. The Committee scrutinises the delivery of mitigations against specific risks, whilst holding to account risk owners for delivery of action plans.

4.5 Risks are identified from many sources including risk assessments, incident reporting, audit data, complaints, legal claims, feedback from patients and external reports.

4.6 All new significant risks are escalated to me as chief executive and subject to validation by the relevant executive director. The movement of risk is currently governed by the residual risk score (i.e., the net risk remaining after recognising the benefits of any mitigating controls). Going forward the escalation and de-escalation of risk will be governed more directly by the Board's risk appetite and tolerance which is defined within the risk management strategy.

4.7 The BAF provides assurance in relation to the delivery of the Trust's strategic objectives and mitigation of the principal risks. A revised format and strengthened process for producing the BAF was approved by the Board in September 2021.

4.8 The BAF is considered at a number of forums including the Risk Management Committee prior to consideration by the Board's assurance committees and through to the Board of Directors.

4.9 The BAF reflects: (i) the risk scenarios identified by the Board; (ii) risk controls (iii) risk tolerance; (iv) gaps in controls (v) assurance on controls and any gaps and (vi) action plans to deliver.

4.10 The risk management process follows six steps:

(i) Determine priorities.
(ii) Risk identification.
(iii) Risk assessment.
(iv) Risk response (risk treatment).
(v) Risk reporting.
(vi) Risk review.

4.11 Operational risks are overseen within the divisional management structures and escalated in accordance with the risk management policy. Those responsible for managing risk regularly review the output from the risk register to ensure it remains valid, reflects changes and supports decision making. Risk profiles for the divisions have been subject to scrutiny as part of a rolling programme by the Risk Management Committee. The purpose of the review is to track how the risk profile is changing over time; evaluate the progress of actions to treat material risk; ensure controls are aligned to the risk; resources are reprioritised where necessary; and risk is escalated appropriately.

4.12 Detailed risk registers are in place. These set out the risk, risk treatment and further mitigating actions planned.

Quality governance framework

4.13 The key elements of the governance framework include:

- a devolved quality governance structure providing oversight.
- a separation between management and assurance responsibilities within the Board's committee structure.
- a wide range of policies, procedures, and guidelines to govern operational practices and training requirements.
- a management structure to drive and deliver the Board's objectives and performance priorities.
- a clearly articulated set of performance measures which are reviewed and used by the Board to drive accountability for performance and delivery.
- engagement with the wider stakeholder community through which the Trust is held to account for performance.
- a risk management framework including the BAF and operational risk registers.

4.14 Incident reporting and investigation is a vital component of risk and safety management. An electronic incident reporting system is operational throughout the Trust and accessible to all colleagues. Incident reporting is promoted through induction and mandatory training programmes, regular communications, patient safety walk rounds or other visits and inspections that take place. In addition, arrangements are also in place to raise any concerns at work confidentially and anonymously, if necessary, through the 'Freedom to Speak up' guardians.

Care Quality Commission

4.15 The Trust is fully compliant with the registration requirements of the CQC. The Trust reviewed and refreshed its Statement of Purpose during 2021/22 as part of the Trust's CQC registration process. Compliance data with the provisions of the Health & Social Care Act 2008 (Registration Regulations 2010) is co-ordinated by the deputy director of quality governance who oversees compliance by:

- reporting and keeping under review matters highlighted within the CQC Insight Tool and inspections.
- liaising with the CQC and local services to address specific concerns.
- engaging with the CQC on the inspection process, co-ordinating the Trust's response to inspections and recommendations/actions.
- analysing trends from incident reporting, complaints, and patient and staff surveys to detect potential non-compliance or concerns in services.
- reviewing assurances on the effective operation of controls.

4.16 Following a comprehensive inspection of services in 2019/20 the Trust demonstrated that progress has been made to achieve better compliance. The Trust remains at 'Requires Improvement' overall but improved in the well-led and safe domains.

4.17 The CQC undertook an unannounced inspection of urgent and emergency care and medical services in October 2021. Due to the inspection being limited to two services it did not change the overall CQC rating for the Trust. The report confirmed improvements in many areas since the last inspection in 2019. The overall rating for medical services improved from requires improvement to good. The overall rating for urgent and emergency care services was maintained at requires improvement. A composite CQC action plan is in place incorporating the actions identified from the unannounced inspection of urgent and emergency care and medical services with outstanding actions from the inspection in 2019/20.

Data security

4.18 The Trust has identified and evaluated the risks associated with data security and has taken steps to enhance control and resilience. The Trust has well - established information governance policies and procedures to protect confidential information. The Trust has in place a data quality strategy underpinned by a milestone plan. The objective of the data quality strategy is to build a data quality culture at the point that data is collected and recorded, with the goal of improving the quality of the information used to support clinical care and business processes. The strategy outlines a cultural change in relation to data quality with a focus on ensuring that all Trust staff are responsible and accountable for ensuring a high standard of data quality.

Major risks

4.19 Major risks to the delivery of the Trust's strategic objectives include failure to:

- Effectively manage demand, both unscheduled and scheduled, and meet constitutional standards which will adversely impact quality of care and patient experience.
- Recruit and retain staff which when considered alongside high sickness level will impact on quality of care and staff wellbeing.
- Deliver financial plan due to uncertainty re financial regime and ability to deliver sustainable cost improvements and productivity gains due to inability to embed service transformation.
- Deliver seamless care with our partners due to ongoing uncertainty re the infrastructure of system working resulting in change in strategic direction and uncertainty re Trust role in place governance.
- Deliver our digital ambition due to unsuccessful implementation of our electronic patient records and potential loss of clinical systems due to cyber-attack.
- Improve our infrastructure due to availability of capital funding with risk to business continuity and provision of clinical services due to critical infrastructure failure.

4.20 Controls and assurances which describe how the Trust manages and mitigates the risks to achievement of its strategic objectives are reported in the BAF which is monitored by the Board and its committees.

4.21 As part of the implementation of the new Trust strategy, the BAF was refreshed and aligned to the newly defined strategic objectives. Risks that had been effectively mitigated or were no longer applicable to the new objectives/priorities have been closed with an update provided to the Board in September 2021.

4.22 The Board has agreed a risk appetite statement which is contained within the risk management strategy 2021- 24.

4.23 The Trust continued to review its governance arrangements reflecting the impact of the COVID-19 pandemic whilst ensuring appropriate oversight was maintained throughout the year. This included reducing frequency of meeting and prioritising agenda items.

4.24 The most significant clinical risks are caused by failure to treat patients in a timely manner due to demand exceeding available resources together with ability to recruit and retain skilled and experienced staff. The number of patients waiting for treatment has significantly increased as a direct result of the pandemic. We are continuing to prioritise the reduction in waiting lists whilst also ensuring health and wellbeing support for staff. The Trust's plan is in accordance with the NHS England Delivery Plan for Tackling the COVID-19 Backlog of Elective Care.

4.25 Embedding high standards of infection prevention and control has remained paramount during the COVID 19 pandemic. Whilst the pandemic has challenged the Trust's ability to consistently follow outbreak guidelines and incidents of nosocomial transmission have been reported, the Trust has introduced mitigations to manage the risk.

4.26 CQC undertook an infection, prevention and control focused inspection in February 2021 which highlighted areas of outstanding practice and no significant major concerns. The report highlighted a number of positives, including an open culture, effective governance processes, use of reliable data and a clear understanding of the challenges and priorities for the Trust in relation to infection protection and control.

4.27 The Board has concluded that there is a significant risk from a shortage of workforce capacity and capability. The control framework includes significant employee engagement, rota management, leave and absence management, regular establishment review and contingencies to enable continuity of service provision in the event of an unanticipated shortage of staff and access to extensive health and wellbeing support. Alongside recruitment and retention interventions these combine to reflect the short to medium term workforce plans. The Trust has been proactive in its approach to positively influencing the

Trust's culture including rebranding values and behaviours and a modern approach to medical leadership.

4.28 The Trust commissioned an independent developmental review of its leadership and governance arrangements using the well-led framework in 2021/22 in accordance with NHS England and NHS Improvement's well-led framework, which is published at https://www.england.nhs.uk/well-led-framework. The final report was considered by the Board in March 2022. The Board acknowledged the risk to the delivery of its strategy because of turnover, lack of succession planning and talent management at Board level. The review acknowledged the Trust's continuing improvement journey on a positive trajectory. The review also identified good practice including a significant effort to develop the Trust's corporate and enabling strategies, and a proactive approach to positively influencing the Trust's culture. Considerable effort was noted to improve stakeholder engagement, and relations with stakeholders and governors. Further detail can be found in the performance report. Areas for development include:

- Delivery of planned executive and board development activities to strengthen impact including improvements in reporting and further build board cohesion.
- Development of an accountability and performance framework to strengthen accountability arrangements amongst divisional and directorate leaders and simplifying the corporate governance structure.
- Improve effectiveness of committees through wider representation from executive directors and participation from divisional leaders.

The areas for improvement form the basis of an action plan and inform the Board development plan which will be taken forward during 2022/23.

Corporate governance

4.29 The Board maintains continuous oversight of the Trust's risk management arrangements and system of internal control through reporting to the Board, the Audit Committee, the Board's committees and the Trust Management Board.

4.30 An assessment of compliance with the NHS provider licence condition 4 has been completed confirming that no material risks have been identified. The conditions are detailed within the corporate governance statement, the validity of which has been assured by the Audit Committee in May 2022. Areas for improvement will be addressed by way of an improvement plan. Areas for improvement include work to strengthen the BAF and risk reporting to include alignment of the BAF with the significant risk register and the work of the Board's committees, completion of committee effectiveness reviews,

4.31 Enforcement undertakings under S106 Health & Social Care Act 2012 were originally applied to the Trust in August 2015. An additional licence condition under S111 Health & Social Care Act 2012 in relation to senior management and board leadership and capability was also

imposed in August 2015. Both the undertakings and the additional licence condition related to the need to:

- secure delivery of services on a financially sustainable basis (FT4 (5)(a), (d) and (f) and CoS3(1)); and
- ensure compliance with the A&E four-hour target on a sustainable basis condition FT4 (5)(c).

4.32 Revised enforcement undertakings were issued by NHS Improvement in March 2018 and again in July 2020. The undertakings continue to relate to financial sustainability and sustainable performance against the A&E four-hour target. The Board of Directors formally endorsed the revised undertakings at the Board in August 2020. The Trust reports progress with the undertakings to NHSEI as required.

Workforce

4.33 The Trust is committed to ensuring that our patients receive the highest quality of care through ensuring that our staffing processes are safe, sustainable and effective. Systems and processes are in place to monitor staffing levels including responding to day-to-day issues with an escalation process in place to address issues which occur. A safe staffing report is discussed at each Workforce Assurance Committee. The report includes a dashboard providing a month-by-month review of a range of patient outcome measures, workforce data including progress with international recruitment, care hours per patient day (CHPPD) data, 'red flags' and patient experience metrics. Any known risk is highlighted along with mitigations and plans to enhance staffing assurances moving forward.

4.34 An integrated performance report is discussed at each Board of Directors' meeting held in public. The report contains a range of performance indicators in each CQC domain supported by exception reporting. In addition, an assurance report is provided to the Board by the chair of the Workforce Assurance Committee. The Trust has experienced significant challenges due to increased occupancy and activity alongside increased absences of staff.

4.35 The Trust uses the approved Shelford acuity and dependency-based tool to determine nurse staffing levels. The process enables staffing data to be triangulated against a range of data including quality KPIs, patient experience data, incidents / serious incidents, operational requirements environmental factors and skills mix. Any changes to the nursing establishment are approved by the chief nurse and medical director. This year the emergency and acute care services have been supported by a review undertaken by the Emergency Care Improvement Support Team (ECIST).

4.36 Workforce governance systems continue to be strengthened to ensure the Trust's compliance with legislative requirements and to enable oversight of the Trust's short, medium and long-term workforce strategies.

Register of Interests

4.37 The Trust has in place a managing conflict of Interests policy, the content of which is consistent with national guidance on conflict of interests published by NHS England. The Trust has introduced an electronic process for recording declarations of interest, including gifts and hospitality, for senior decision-making staff. The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months as required by the Managing Conflicts of Interest in the NHS guidance.

Pensions

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

Equality, diversity and human rights

4.39 Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Diversity and inclusion training is mandatory for all staff. Additional steps have been taken to ensure focus on specific areas of the public sector equality duty; with particular attention on fostering good relations and advancing equality of opportunity between people who share a protected characteristic and those who do not. Further detail can be found in the performance and staff sections of the report.

4.40 The Trust diversity and inclusion strategy 2018-2022 has an underpinning action plan to ensure achievement. This includes promotion, monitoring and review to determine success. An annual report on progress is provided to the Board of Directors.

4.41 The Trust has integrated inclusivity as a core component of the people strategy in line with the NHS People Plan. This includes working with staff and community stakeholders to review performance and identify further areas of improvement.

Carbon reduction

4.42 The foundation trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS

programme. The trust ensures that its 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

5.1 The Trust's resources are managed within a financial governance framework that incorporates systems of financial control, budgetary control and the financial responsibilities for individuals outlined within the Trust's Standing Financial Instructions. Financial governance arrangements are supported by internal and external audit to ensure economic, effective and efficient use of resources.

5.2 The Trust has a range of processes to ensure that resources are used economically, efficiently, and effectively. This includes regular reporting to Board on quality, operational performance, finance and safety with further review and scrutiny at committees of the Board and management levels throughout the Trust.

5.3 Systems are in place to ensure the Trust complies with its duty to operate efficiently, effectively and economically including securing compliance with healthcare standards as specified by the Secretary of State for Health, the CQC, NHS England, NHS Improvement, and statutory regulators of healthcare professions.

5.4 The Trust Board has agreed an annual audit programme with the Trust's internal auditors through delegated authority to the Audit Committee. The Audit Committee receives internal audit reports in line with an agreed work plan that aims to test the economy, efficiency and effectiveness of Trust systems and processes, including financial management and control. The audit plan is reviewed and agreed by the Audit Committee in April each year. Any report which offers limited assurance results in the development of a management action plan with an agreed timescale for improvement, and progress is monitored by the Audit Committee. Serious issues are escalated to the Board of Directors.

6. Information governance

6.1 During 2021/22 no data breaches occurred which were reportable to the Information Commissioner's Office (ICO) and NHS Digital (via the DSP toolkit). Two patients contacted the ICO (see below).

ICO Incident Number	Date	Incident Details
IC-80654-N1C5	May 2021	Accusations were made against a member of staff regarding accessing records. The CNIO investigated and concluded this was unfounded. Status: No decision received yet.

IC-116332-C7F3	November 2021	A patient's appointment letter was sent to her son's foster carer in error. Status: No decision received yet.

6.2 The Trust receives regular communication from NHS Digital which supports notification of potential information security incident and has taken steps to reduce the risks posed by cyber – attacks. The Trust has previously participated in a pilot for the development of a unified cyber risk framework; and has installed access controls, fire walls, continuously updating anti-virus software and other software to minimise risk of cyber-attack.

6.3 The Trust has a data protection officer overseeing data protection Impact assessments and giving lawful advice and guidance on issues associated with the eight rights of access. We have continued to embed the legal requirement for data protection impact assessments into the Trust's information sharing and information risk processes and strengthening data security awareness through continued education and awareness.

7. Data quality and governance

7.1 Internal controls are in place to ensure the accuracy of data and the collection and reporting of the measures of performance.

7.2 Mandatory training is provided to raise awareness of information governance and control with employees.

7.3 Regular internal reports are provided to the data quality group on errors and corrections to patient records logged by the data quality team. Frequency of errors and trends over time are tracked, with direct feedback to departmental managers in relation to repeated errors or concerns

7.4 The quality and accuracy of elective waiting time data is subject to validation at patient level. A live tracking system on referral to treatment and cancer is in place that is overseen by the business improvement team after every clinical episode, to ensure scrutiny is equally applied all patients waiting for treatment and adherence to the national waiting time standards. Once validation is completed Trust level performance is signed off by the executive.

7.5 A rolling monthly audit on referral to treatment and cancer 62-day patients that are treated within the national waiting time standards is undertaken by the data quality team, to ensure scrutiny is equally applied to non-breaching patients and their waiting times.

8. Review of effectiveness

8.1 As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditor 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 of Directors, the Audit Committee, Quality Committee and Risk Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

8.2 The governance structure aligns the Trust's quality, risk and performance management arrangements. Committees, sub committees, groups and individuals have defined responsibilities to ensure delivery of the Trust's objectives through compliance with performance and quality indicators and monitoring of associated risks. The Board of Directors receives assurance from its committees and the Trust Management Board.

8.3 The Board of Directors has set out the governance arrangements including the committee structure within the scheme of reservation and delegation. The Board is supported by seven committees:

- Audit
- Finance Business and Performance Assurance
- Quality
- Workforce Assurance
- Safety Management
- Remuneration & Appointment
- Capital

8.4 In addition, the Trust's Trust Management Board which is chaired by the chief executive reports to the Board of Directors Chairs of the Board's committees report to the Board of Directors at the first available meeting after each committee meeting. Urgent matters are escalated by the committee chair to the Board of Directors as deemed appropriate.

8.5 The Trust regularly reviewed its governance arrangements during the year to ensure that they were fit for purpose and enable appropriate oversight and control whilst reflecting the unprecedented demand on the Trust.

8.6 The pandemic continued to present unprecedented challenges for the Trust, the NHS and its partners. The Board of Directors has continued to discharge it responsibilities and progress continues to be made to strengthen the Board, improve CQC compliance and build

more productive stakeholder relationships. The Board of Directors understands the challenges relating to financial sustainability and managing demand more effectively. These challenges are now more acute with the impact of the pandemic with prolonged waits for treatment and inequalities in health and social care. These priorities are embedded in our organisational objectives for the year ahead.

8.7 The Trust's system of control is designed to identify principal risks to the achievement of policies, aims and objectives. This has been further strengthened this year by a revised approach for the BAF and strengthened risk management framework. As with all internal control systems they are designed to manage rather than eliminate the risk of failure and can therefore only provide reasonable and not absolute assurance of effectiveness against material mis-statement or loss.

8.8 The Audit Committee has previously been made aware of workforce issues which directly stemmed from a failure of the control environment. The Audit Committee met on five occasions in an extraordinary capacity to provide oversight of the workforce improvement plan and to ensure no re-occurrence.

8.9 The Committee is also aware of issues relating to estates and compliance with statutory responsibilities which directly stems from a failure of the control environment. An external assurance review was commissioned which identified a number of risks. Immediate steps were taken to address high risk recommendations, including identification of statutory compliance roles and a risk register review to provide assurance in relation to HTM guidance and compliance with Health and Safety standards. A review of progress with the improvement plan was undertaken by internal audit with progress reported to the Audit Committee.

8.10 The Audit Committee is not aware of any other material issues regarding fundamental failures which directly stem from a failure of the control environment or internal controls which comprise that environment.

8.11 The Board of Directors met 12 times between 1 April 2021 and 31 March 2022. Details about Board Members and changes to Board membership during the year can be found in the Directors' Report and the Remuneration Report.

8.12 The responsibilities of Directors are reviewed through individual performance review process.

8.13 The responsibilities of the Board of Directors' assurance committees and the executive led management meetings are defined in the terms of reference which are subject to review.

8.14 The Trust undertakes an annual assessment of all directors to ensure that they continue to meet the requirement of the fit and proper person's regulation. This is in addition to checks undertaken during the appointment process.

8.15 In 2021/22 the head of internal audit opinion provided substantial assurance that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

8.16 The internal audit plan focused on the Trust's assurance framework, core and mandated reviews including follow up and a range of individual risk-based assurance reviews.

8.17 The assurance framework was externally validated by the Trust's internal auditors in March 2022. The head of internal audit opinion provided assurance that the assurance framework is structured to meet the NHS requirements, that there could be greater visibility of the use of the assurance framework by the Board and that it clearly reflects the risks discussed by the Board.

8.18 During 2021/22, 19 internal audits were undertaken. 12 received 'substantial assurance', and six 'limited assurance' with one receiving high assurance.

High assurance	Key financial systems treasury management
Substantial assurance	Key financial controls: general ledger Key financial controls: budgetary control Key financial controls: accounts payable Key financial controls: accounts receivable HR & wellbeing shared service payroll ESR HR / payroll controls Cyber security (mobile working and remote access) Cost improvement programme Recruitment review COVID-19 expenditure (2020/21) Mortality and sepsis clinical coding (2020/21) Midwifery continuity of care
Moderate Assurance	Nil
Limited Assurance	Estates procurement Data quality – A&E 12-hour waiting time Safer standards for invasive procedures Discharge planning process Medical bank staffing Data quality strategy (2020/21)

8.19 On each occasion when an internal audit is drafted, recommendations or actions are proposed by the internal auditors to management. These are formalised and captured.

Progress with implementation of the audit recommendations is reported to the Audit Committee ensuring Executive input, scrutiny of findings and oversight of the management response. During the year follow up reviews have been undertaken. It is noted that limited progress has been with regard to the implementation of recommendations and this will be an priority as we move into 2022/23.

8.20 Reported incidents, complaints, claims and patient feedback are routinely analysed to identify risks, learning and improvement to support robust internal control. Lessons learnt are disseminated to staff using a variety of methods including safety huddles and safety bulletins. The Trust continues to evolve the mechanisms used for triangulation of feedback, safety data and intelligence to support continuous improvement.

8.21 There were 65 incidents that crossed the seriousness threshold and were declared a serious incident in accordance with NHS England's Serious Incident Framework. The Trust continues to be open and transparent in relation to all known incidents including those that result in significant harm. The Trust has a well-established serious incident panel with strong clinical engagement. Each serious incident has been thoroughly investigated and reported to local commissioners. Detailed action plans were developed and implemented or are being implemented.

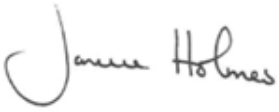
8.22 Five incidents qualified for reporting as a never events during 2021/22.

8.23 There were 17 events (16 in 2020/21) that met the criteria for reporting to the Health & Safety Executive under the provisions of the Reporting of Injuries, Diseases or Dangerous Occurrences (RIDDOR) Regulations. The health and safety management systems within the Trust continue to be strengthened. The H&S Team priorities moving forward into 2022-23 are to continue to improve H&S compliance and understanding throughout the Trust by ensuring appropriate policies and processes are in place, ongoing support to staff through the delivery of the ongoing programme of training and audit programme including a Trust wide Health and Safety Awareness week, focused Health and Safety Champions training and improved sharing of learning across the Trust.

9. Conclusion

9.1 My review confirms that Wirral University Teaching Hospital NHS Foundation Trust has generally sound systems of internal control that support the achievement of its objectives and the head of internal audit opinion has provided significant assurance that there is a good system of internal control. However, there are some areas where further improvement is required, as referenced at para 4.19 of this statement, which put the achievement of some of the Trust's objectives at risk. Action plans have been prepared to address these issues and the Board is confident that there is a robust system in place to oversee the implementation of these actions.

9.2 No significant internal control issues have been identified during the year ending 31 March 2022 and up to the date of approval of the annual report and accounts.



Janelle Holmes
Chief Executive **Date: 16th June 2022**

Independent Auditor's Report to the Council of Governors of Wirral University Teaching Hospital NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Wirral University Teaching Hospital NHS Foundation Trust (the 'Trust') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted in the United Kingdom, and as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2021 to 2022.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2022 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted in the United Kingdom, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2021 to 2022; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, 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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- The parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- The other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Annual Governance Statement

- 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.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Trust is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Trust that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;

- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the Trust's financial statements or the operations of the Trust through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations, the National Health Service Act 2006 and other related legislation;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- other audit procedures responsive to the risk of fraud, non-compliance with laws and regulation or irregularity as appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulations. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Report on other legal and regulatory matters

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006, because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure that was unlawful, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022. We have nothing to report in this respect.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in December 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the

Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Certificate of completion of the audit

We certify that we have completed the audit of the financial statements of Wirral University Teaching Hospital NHS Foundation Trust for the year ended 31 March 2022 in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors 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 Trust's Council of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

Chris Brown

Digitally signed by Chris Brown
DN: cn=Chris Brown, c=GB, o=Azets, email=chris.brown@azets.co.uk
Reason: I am the author of this document
Date: 2022.06.17 13:41:58 +01'00'

Chris Brown, Key Audit Partner

for and on behalf of Azets Audit Services, Local Auditor
Edinburgh
17 June 2022

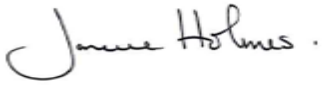
Wirral University Teaching Hospital NHS Foundation Trust

Annual accounts for the year ended 31 March 2022

Foreword to the accounts

Wirral University Teaching Hospital NHS Foundation Trust

These accounts, for the year ended 31 March 2022, have been prepared by Wirral University Teaching Hospital NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.



Signed

Name	**Janelle Holmes**
Job title	**Chief Executive Officer**
Date	**16 June 2022**

Statement of Comprehensive Income

	Note	2021/22 £000	2020/21 £000
Operating income from patient care activities	2	421,460	380,410
Other operating income	3	41,651	55,311
Operating expenses	6	(458,044)	(431,607)
Operating surplus from continuing operations		**5,067**	**4,114**
Finance income	10	36	2
Finance expenses	11	(352)	(221)
PDC dividends payable		(4,471)	(3,361)
Net finance costs		**(4,787)**	**(3,580)**
Other gains / (losses)	11	(244)	(94)
Surplus for the year		**36**	**440**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	7,783	(4,747)
Revaluations		128	61
Other recognised gains and losses			29
Total comprehensive income / (expense) for the period		**7,947**	**(4,217)**

The notes on pages 7 to 37 form part of these accounts.

All income and expenditure is derived from continuing operations.

Statement of Financial Position

	Note	31 March 2022 £000	31 March 2021 £000
Non-current assets			
Intangible assets	12	14,872	12,864
Property, plant and equipment	13	187,351	163,560
Receivables	18	2,354	869
Total non-current assets		**204,577**	**177,293**
Current assets			
Inventories	17	4,924	4,788
Receivables	18	19,902	17,263
Cash and cash equivalents	19	36,436	21,293
Total current assets		**61,262**	**43,344**
Current liabilities			
Trade and other payables	20	(60,592)	(44,537)
Borrowings	22	(1,022)	(1,090)
Provisions	24	(6,984)	(6,664)
Other liabilities	21	(10,702)	(4,622)
Total current liabilities		**(79,300)**	**(56,913)**
Total assets less current liabilities		**186,539**	**163,724**
Non-current liabilities			
Borrowings	22	(4,177)	(5,193)
Provisions	24	(8,577)	(7,909)
Other liabilities	21	(2,371)	(2,479)
Total non-current liabilities		**(15,125)**	**(15,581)**
Total assets employed		**171,414**	**148,143**
Financed by			
Public dividend capital		186,446	171,122
Revaluation reserve		48,465	41,241
Income and expenditure reserve		(63,497)	(64,220)
Total taxpayers' equity		**171,414**	**148,143**

The notes on pages 7 to 37 form part of these accounts.

The primary financial statements on pages 3 to 6 and the notes on pages 7 to 37 were approved by the Trust's Board of Directors on 16 June 2022 and signed on its behalf by Janelle Holmes, Chief Executive Officer.

Signed 16 June 2022

Janelle Holmes
Chief Executive Officer

Statement of Changes in Equity for the year ended 31 March 2022

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	171,122	41,241	(64,220)	148,143
Surplus/(deficit) for the year	-	-	36	36
Transfers between reserves	-	(687)	687	-
Impairments	-	7,783	-	7,783
Revaluations	-	128	-	128
Other recognised gains and losses	-	-	-	-
Transfer to retained earnings on disposal of assets	-	-	-	-
Public dividend capital received	15,324	-	-	15,324
Taxpayers' and others' equity at 31 March 2022	**186,446**	**48,465**	**(63,497)**	**171,414**

Statement of Changes in Equity for the year ended 31 March 2021

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**80,106**	**46,728**	**(65,490)**	**61,344**
Surplus(deficit) for the year			440	440
Transfers between reserves		(797)	797	-
Impairments		(4,747)		(4,747)
Revaluations		61		61
Other recognised gains and losses	-	-	29	29
Transfer to retained earnings on disposal of assets	-	(4)	4	-
Public dividend capital received	91,016			91,016
Taxpayers' and others' equity at 31 March 2021	**171,122**	**41,241**	**(64,220)**	**148,143**

Information on reserves

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenditure, in which case they are recognised in operating expenditure - net impairments. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of this NHS foundation trust.

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. PDC received in 2021/22 relates to the purchase of assets.

Statement of Cash Flows

	Note	2021/22 £000	2020/21 £000
Cash flows from operating activities			
Operating surplus / (deficit)		5,067	4,114
Non-cash income and expense:			
Depreciation and amortisation	6.1	11,226	10,652
Net impairments	7	(387)	712
Income recognised in respect of capital donations	3	(492)	(902)
Amortisation of PFI deferred credit		(109)	(109)
(Increase) / decrease in receivables and other assets		(4,482)	7,085
(Increase) / decrease in inventories		(136)	(796)
Increase / (decrease) in payables and other liabilities		12,472	2,163
Increase / (decrease) in provisions		838	4,106
Other movements in operating cash flows		(2)	
Net cash flows from / (used in) operating activities		**23,995**	**27,025**
Interest received		16	13
Purchase of intangible assets		(3,258)	(621)
Purchase of PPE and investment property		(16,355)	(13,574)
Proceeds from sale of property, plant and equipment		59	-
Receipt of cash donations to purchase assets		492	165
Net cash flows from / (used in) investing activities		**(19,046)**	**(14,017)**
Cash flows from financing activities			
Public dividend capital received		15,324	91,016
Movement on loans from DHSC		(1,015)	(84,899)
Capital element of finance lease rental payments		(66)	(64)
Interest on loans		(200)	(487)
Interest paid on finance lease liabilities		(3)	(5)
PDC dividend (paid) / refunded		(3,846)	(3,207)
Net cash flows from / (used in) financing activities		**10,194**	**2,354**
Increase / (decrease) in cash and cash equivalents		**15,143**	**15,362**
Cash and cash equivalents at 1 April 2021 - brought forward		**21,293**	**5,931**
Cash and cash equivalents at 31 March 2022		**36,436**	**21,293**

Note 1 Accounting policies

1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention
These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.2 Going Concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the Trust's services in the public sector is normally sufficient evidence of going concern.

After making enquiries, the directors have a reasonable expectation that the services provided by the Wirral University Hospital NHS Foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

1.3 Consolidation

NHS Charitable Fund
The Trust is the Corporate Trustee to Wirral University Hospital NHS Charitable Fund. 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 Trust has reviewed the value of the Charity's fund balances at 31 March 2022 and does not consider these to be material to the Trust. Consequently, consolidated financial statements, incorporating the accounts of both the Trust and the Charity ('group accounts') have not been prepared for the year ended 31 March 2022.

Joint operations
Joint operations (Note 16) are joint arrangements whereby the parties that have joint control have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint operations require the accounting for the assets, liabilities, revenues and expenses relating to their interest in the joint operation in accordance with the applicable accounting standards. The Trust has the rights to particular assets or a share of certain assets, and obligations for particular liabilities or a share of certain liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement. Where material, the Trust includes within its financial statements its share of each operation's assets, liabilities, income and expenditure.

1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year-end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts
The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at a Sustainability and Transformation Partnership level. For the first half of the 2020/21 comparative year these blocks were set for individual NHS providers directly, but the revenue recognition principles are the same. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

NHS injury cost recovery scheme
The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claim and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

1.5 Other forms of income

Grants and donations
Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income
The value of the benefit received when the Trust accesses funds from the Government's apprenticeship service are recognised as income in accordance with IAS 20, Accounting for Government Grants. Where these funds are paid directly to an accredited training provider, non-cash income and a corresponding non-cash training expense are recognised, both equal to the cost of the training funded.

Sale of Assets
Income from the sale of non-current assets is recognised only when all material conditions of sale have been met and is measured as the sums due under the sale contract.

1.6 Employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees, including non-consolidated performance pay earned but not yet paid. The cost of leave 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
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust

figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reportsNational

National Employment Savings Trust (NEST)
NEST is a defined contribution pension scheme that was created as part of the government's workplace pensions reforms under the Pensions Act 2008. This alternative scheme is provided under the Trust's 'automatic enrolment' duties to the small number of employees who choose this scheme or do not contribute to the NHS pension schemes.

NEST levies a contribution charge and an annual management charge which is paid for from employee contributions. There are no separate employer fees levied by NEST. The Trust is legally required to make a minimum contribution for opted-in employees who earn more than the qualifying earnings threshold, and the cost to the Trust of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. That is, employer's pension costs of contributions are charged to operating expenditure as and when they become due.

1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- 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 will be supplied to the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably, and either
- the item has cost of at least £5,000, or collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their individual useful economic lives.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Measurement

Valuation
All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either front line services or back-office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:
- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation
Depreciation is charged to write down the costs or valuation of certain items of property, plant and equipment, less any residual value, over their remaining useful economic lives on a straight-line basis. It is an operating expenditure within the SOCI.

The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is an accounting estimate and may prove to be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

Freehold land, assets under construction or development, investment properties and assets held for sale are not depreciated/amortised. Property, plant and equipment which is reclassified as held-for-sale under IFRS 5 ceases to be depreciated at the point of reclassification. Assets under construction are not depreciated until the assets are brought into use.

Finance-leased assets are depreciated over the shorter of the useful economic life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term. If this is the case, the asset is depreciated in the same manner as owned assets.

Property is usually depreciated over the following useful economic lives.

- Buildings excluding dwellings 1 to 80 years.
- Dwellings 1 to 80 years.

Equipment is usually depreciated over the following useful lives.

- Plant and machinery 1 to 28 years.
- Transport equipment 1 to 10 years.
- Furniture and fittings 1 to 13 years.
- Information technology equipment 1 to 21 years.

These useful economic lives reflect the total life of an asset when it is recognised, and not its remaining life.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments
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.

In accordance with the DHSC GAM, impairments that arise from a clear consumption of economic benefits or service potential are charged to operating expenditure. 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 expenditure; 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 gave rise to the loss are reversed. Reversals are recognised as a credit to operating expenditure and capped to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition
Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their fair value less costs to sell. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets
Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year-end.

Private Finance Initiative (PFI) transactions and service concessions
Certain PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

There are no annual contract payments ('unitary fees') or service charges payable in relation to the Trust's single 'service concession' asset, as the operator's income derives from charges to users. As outlined in Note 21, a deferred income balance has been created which is released each year as income which offsets, but does not necessarily match, the straight-line depreciation charge incurred over the asset's useful economic life.

1.9 Intangible assets

Recognition
Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of The Trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to the Trust where the cost of the asset can be measured reliably; and where the cost is at least £5,000.

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, it is recognised as an operating expense in the period in which it is incurred. Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

Software
Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Measurement
Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Internally developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances. Revaluations and impairments are treated in the same manner as for property, plant and equipment.

Amortisation
Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits. Expected useful economic lives at point of first recognition are usually as follows.

Software	1 to 14 years.

1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured under the first in, first out (FIFO) method.

In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values. These balances exclude monies held in the Trust's bank account belonging to patients.

1.12 Financial assets and financial liabilities

Recognition
Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e., when receipt or delivery of the goods or services is made.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Classification and measurement
Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost. Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and liabilities held at amortised cost
Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

The term ‘impairment’ refers both to the permanent ‘write-off’ of a debt, and the creation of a ‘loss allowance’ balance for a debt or group of debts. Other than ICR receivables (Injury Cost Recovery (ICR) income), the only financial assets impaired by the Trust, in this and the previous year, have been trade receivables.

The ICR allowance is calculated at a rate of 23.76% (22.43% 2020/21), and this percentage reflects the average value of claims withdrawn as advised to DHSC by the Compensation Recovery Unit (CRU) of the Department for Work and Pensions. This percentage is updated by the CRU, and reflects expected rates of collection across the NHS.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset’s gross carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

De-recognition
Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership of a leased asset are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee

Finance leases
Property, plant and equipment held under finance leases are initially recognised, at the commencement of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Comprehensive Income / Net Expenditure.

Operating leases
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings
Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The Trust as lessor

Finance leases
Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on Trust's net investment outstanding in respect of the leases.

Operating leases
Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

1.14 Provisions

Provisions are recognised when the trust has a present legal or constructive obligation as a result of a past vent, it is probable that the trust ill be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates:

Nominal rate

Short-term	Up to 5 years	0.47%
Medium-term	After 5 years up to 10 years	0.70%
Long-term	After 10 years up to 40 years	0.95%
Very long-term	Exceeding 40 years	0.66%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2022:

Inflation rate

Year 1	4.00%
Year 2	2.60%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.3% in real terms.

Clinical negligence costs
NHS Resolution (the trading name of the NHS Litigation Authority NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the trust. The total value of clinical negligence provisions carried by the NHSR on behalf of the Trust is disclosed in Note 24.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling
The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.15 Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are disclosed in Note 25.

Contingent liabilities are not recognised, but are disclosed in Note 25, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust.
- a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation, or the amount of the obligation cannot be measured sufficiently reliably.

1.16 Public dividend capital (PDC)

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at **https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts**.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.17 Value added tax (VAT)

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

1.18 Climate Change Levy

Climate Change Levy Expenditure is recognised in line with the levy charged, based on the chargeable rates for energy consumption per the rates detailed in the Climate Change Levy documentation.

1.19 Corporation tax

As an NHS foundation trust, Wirral University Teaching Hospital 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.

1.20 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in Note 19.2, as required by HM Treasury's FReM.

1.21 Foreign currencies

The Trust's functional currency and presentational currency is pounds sterling, and figures are presented in thousands of pounds unless expressly stated otherwise.

Transactions denominated in a foreign currency are translated into sterling at the spot exchange rate on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March.

Exchange gains and losses on monetary items (arising on settlement of the transaction or on retranslation at the Statement of Financial Position date) are recognised in the Statement of Comprehensive Income in the period in which they arise.

1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.23 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value. The Trust has not issued any gifts with the exception of occasional ad hoc collaborative gestures with NHS partners of an immaterial nature.

1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been 'early adopted' in 21/22.

1.25 Accounting standards issued but not yet effective or adopted

IFRS16 Leases

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

The trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	8,001
Additional lease obligations recognised for existing operating leases	(8,008)
Net impact on net assets on 1 April 2022	**(7)**
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(1,401)
Additional finance costs on lease liabilities	(118)
Lease rentals no longer charged to operating expenditure	1,447
Estimated impact on surplus / deficit in 2022/23	**(72)**
Estimated increase in capital additions for new leases commencing in 2022/23	**-**

From 1 April 2022, the principles of IFRS 16 will also be applied to the Trust's PFI liabilities where future payments are linked to retail price index. The PFI liability will be remeasured when a change in the index causes a change in future repayments and that change has taken effect in the cash flow. Under existing accounting practices, amounts relating to changes in the price index are expensed as incurred. This is expected to increase the PFI liability on the statement of financial position upon transition to IFRS 16. The effect of this has not yet been quantified.

IFRS 17 Insurance Contracts: this standard is not yet adopted by FReM but is expected to be from April 2023. It is not expected to affect the Trust's accounts as it does not issue insurance contracts.

1.26 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make various judgements, estimates and assumptions which create a risk of material uncertainty.

These judgements, estimates and assumptions are based on historical experience and other factors considered of relevance. Actual results may differ from those estimates, and underlying assumptions are regularly 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.

Listed below are areas where management has made judgements, apart from those involving estimations, in the process of applying the Trust's accounting policies, which are deemed most significant to the amounts recognised in the financial statements.

Segmental reporting

IFRS 8 Operating Segments requires additional annual accounts disclosures for certain significant business streams ('reportable segments') which engage in distinct business activities and whose operating results are regularly and separately reviewed by the entity's 'chief operating decision maker' (CODM).

As the Trust's CODM, the Trust's Board of Directors does regularly review the performance of the Trust's operational divisions, whilst reviewing the financial position of the Trust as a whole, in its decision-making framework. However, these divisions are not judged to comprise distinct reportable segments, as they share similar economic characteristics, having similar locations, outputs and customers, and operating within the same funding and regulatory environment. At an operational level, the workforce is flexibly deployed and assets are shared across the divisions in providing services and delivering the Trust's objectives.

The accompanying financial statements have consequently been prepared under one single reporting segment, that is, 'the provision of acute healthcare'.

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 2021/22 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 its joint operations (Note 16).

Consolidation

Wirral University Teaching Hospital NHS Foundation Trust is the corporate trustee of Wirral University Teaching Hospital NHS Foundation Trust Charitable Fund ('the Charity'). The Trust has assessed its relationship with the Charity and determined it to be a subsidiary, as it has the power to both gain and affect economic returns and other benefits from the Charity.

The Trust has reviewed the value of the Charity's fund balances at 31 March 2022 and does not consider these to be material to the Trust. Consequently, consolidated financial statements, incorporating the accounts of both the Trust and the Charity ('group accounts') have not been prepared for the year ended 31 March 2022.

'Service concession' asset

In 2010, the Trust recognised one 'service concession' asset (as at 31 March 2008). A staff accommodation block, built and operated by Frontis Homes Limited (Your Housing Group Limited) on the Trust's Arrowe Park site, is an infrastructure asset used in the delivery of public services. The Trust controls the residual interest in the asset and the services to be provided. Consequently, the arrangement is accounted for as outlined in 1.10 Private Finance Initiative (PFI) transactions and service concessions and Note 21 to the accounts.

Finance leases

The Trust has a number of different lease arrangements, and follows IAS 17 Leases in classifying those leases as either finance leases or operating leases at the point of recognition. This classification leads to different accounting treatments, and different transaction values and balances for each reporting period within the Statement of Comprehensive Income (SOCI) and the SOFP as outlined under 1.13 Leases, below. In following the applicable lease standards, an element of judgement is required in deciding whether an arrangement is a lease and in particular, determining a lease's classification.

Sources of estimation uncertainty

Asset valuation, lives and depreciation

The DHSC GAM requires that the valuation of the Trust's specialised buildings is based on a modern equivalent asset (MEA) with the same productive capacity as the property being valued. The Trust has opted to interpret the MEA basis as pertaining to a single combined hospital facility ('single site model') wholly located at the Trust's Clatterbridge site, and this fundamentally affects valuation processes, generally reducing asset carrying values.

The Trust has judged that this single combined hospital model is effectively a single asset for the purposes of applying IAS 16 Property, Plant and Equipment, with each significant building 'sub-asset' as a separately depreciating component. The component parts of each building 'sub-asset' are not themselves judged to have sufficient cost in relation to the single combined facility to require separate depreciation under the standard. This judgement affects the overall depreciation of the Trust's estate.

Additionally, the valuation of buildings requires decisions as to whether assets or groups of assets are specialised or non-specialised, which can lead to significantly different valuations, as described under 1.8 Property, plant and equipment.

Asset valuation and lives

The value and remaining useful lives of land and building assets are estimated by the Trust's valuers, Cushman & Wakefield. Valuations are carried out annually and are performed in accordance with the Royal Institute of Chartered Surveyors' RICS Valuation - Professional Standards (the 'Red Book'), primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property, as described under 1.8 Property, plant and equipment.

Where assets are of low value and/or have short useful economic lives, such as operational equipment, they are carried at depreciated historical cost (cost less any accumulated depreciation) as this is not considered to be materially different from fair value. 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. Intangible software licences are depreciated over the shorter of the term of the licence and the useful economic life.

The Trust undertakes annual revaluations of estate assets to reduce estimation uncertainty relating to asset lives and depreciation to minimise risk of material adjustments. However, the Trust's reliance on valuation methods does present a risk relating to the carry amount of non-current assets. Valuation methods assess alterations made to Trust estate since the previous valuation, building areas, location, physical condition and functional obsolescence and assessment of the current cost of replacement referencing previous valuations and using building cost indices such as the BCIS "All In" Tender Price Index.

The total balance of intangible and tangible fixed assets as at 31 March 2022 is £202m (31 March 2021 £176m), of which £140m relates to estate assets. The Arrowe Park Hospital site is valued at £113m and whilst operationally inseparable the remaining lives of significant elements of the site have been assessed in the range of 23 to 42 years. The Clatterbridge Hospital site is valued at £31m and whilst operationally inseparable the remaining lives of significant elements of the site have been assessed in the range of 21 to 43 years.

Provisions

The amount recognised as a provision is a best estimate at the end of the reporting period of the expenditure required to settle a present obligation, or a constructive obligation taking into account risks and uncertainties.

Inventory balances

Inventory balances which are measured by counting stock, and attributing values to that inventory. There is an estimation uncertainty related to the timing of the Trust's stock counts, because they cannot operationally be undertaken simultaneously at close of play on 31 March.

Note 2 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.

Note 2.1 Income from patient care activities (by nature)

	2021/22 £000	2020/21 £000
Block contract/system envelope income	357,354	341,012
High cost drugs income from commissioners	19,033	17,124
Other NHS clinical income	11,417	1,477
Private patient income	289	60
Elective Recovery Fund	17,668	-
Additional pension contribution central funding *	11,192	10,436
Other clinical income	4,507	10,301
	421,460	**380,410**

* The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20 and continuing throughout 2021/22, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 2.2 Income from patient care activities (by source)

	2021/22 £000	2020/21 £000
NHS England	46,845	49,120
Clinical Commissioning Groups	368,823	325,834
NHS Foundation Trusts	996	1,045
NHS Trusts	-	2
Local Authorities	1,058	577
Department of Health and Social Care	1	1
NHS Other	-	378
Non-NHS Private Patients	220	60
Non-NHS: Overseas patients (chargeable to patient)	15	-
Injury cost recovery scheme	562	761
Non-NHS: Other	2,940	2,632
	421,460	**380,410**
Of which relates to continuing operations	**421,460**	**380,410**

Note 2.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2021/22 £000	2020/21 £000
Income from services designated as commissioner requested services	336,191	348,597
Income from services not designated as commissioner requested services	85,269	31,813
	421,460	**380,410**

Note 2.4 Overseas visitors (relating to patients charged directly by the provider)

	2021/22 £000	2020/21 £000
Income recognised in year	15	-
Cash payments received in year (relating to invoices raised in current and previous years)	7	5
Amounts written off in year (relating to invoices in current and previous years)	-	7

Note 3.1 Other operating income

	2021/22 £000	2020/21 £000
Recognised in accordance with IFRS15:		
Research and development	552	581
Education and training	11,751	10,616
Non-patient care activities to other bodies	13,563	8,478
Reimbursement and top-up funding	4,336	21,996
Income in respect of employee benefits accounted on a gross basis	3,503	2,780
Other	5,011	2,392
Recognised in accordance with other standards:		
Education and training	660	529
Donated equipment from DHSC for COVID response (non-cash)	84	737
Cash donations for the purchase of capital assets	95	165
Charitable and other contributions to expenditure – received from NHS Charities	14	14
Cash grants for the purchase of capital assets – received from other bodies	299	-
Charitable and other contributions received from other bodies	222	250
Contributions to expenditure – receipt of equipment donated from DHSC for COVID response	-	126
Contributions to expenditure – consumables (inventory) donated from DHSC group bodies for COVID response	1,304	6,020
Rental revenue from operating leases	148	518
Amortisation of PFI deferred income / credits	109	109
Total other operating income	**41,651**	**55,311**

Note 3.2 Analysis of other income

	2021/22 £000	2020/21 £000
Car parking income	431	148
Catering	939	789
Staff accommodation rental	144	126
Other income not already covered (recognised under IFRS15)	3,497	1,858
Total other income	**5,011**	**2,921**

Note 4 Additional information on contract revenue (IFRS15) recognised in the period

	2021/22 £000	2020/21 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous year end	1,238	594

Note 5 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	2021/22 £000	2020/21 £000
Income	1,370	937
Full cost	(1,923)	(1,899)
Surplus/deficit	**(553)**	**(962)**

The figures above represent income and cost from car parking and catering operations within the trust. In line with all Trusts car parking charges were suspended as a result of the pandemic for most of the financial year. In addition, the reduction in visitor numbers onto our hospital sites resulted in a loss of income in our refreshment outlets.

Note 6.1 Operating expenditure

	2021/22 £000	2020/21 £000
Purchase of healthcare from NHS and DHSC bodies	11,732	5,840
Purchase of healthcare from non-NHS and non-DHSC bodies	2,900	4,585
Staff and executive directors costs	312,684	299,778
Remuneration of non-executive directors	139	145
Supplies and services - clinical (excluding drugs costs)	39,505	31,813
Supplies and services - clinical: utilisation of consumables donated from DHSC group bodies for COVID response	1,634	5,438
Supplies and services - general	4,598	4,613
Supplies and services - general: notional cost of equipment donated from DHSC for COVID response	-	126
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	27,777	23,413
Inventories written down	202	38
Consultancy costs	605	691
Establishment	3,282	2,900
Premises [1]	18,241	15,143
Transport (including patient travel)	1,111	923
Depreciation on property, plant and equipment	9,969	9,404
Amortisation of intangible assets	1,257	1,248
Net impairments	(387)	712
Movement in credit loss allowance: contract receivables / contract assets	(83)	983
Provisions arising/released in year	1,953	
Change in provisions discount rate	183	171
Audit fees payable to the external auditor:		
audit services- statutory audit	148	134
Internal audit costs	123	110
Clinical negligence [2]	13,467	12,947
Legal fees	610	474
Insurance	504	516
Research and development	17	7
Education and training	1,446	1,504
Operating lease expenditure	1,621	1,756
Redundancy		-
Other [3]	2,806	6,195
Total	**458,044**	**431,607**

[1] Premises costs in 2021/22 included £4.8m relating to recognition of future contractual obligations from the operation of two accommodation blocks on the Arrowe Park hospital site.

[2] Clinical negligence costs relate to the Trust's annual contribution to NHS Resolution (formerly NHS Litigation Authority) under its risk-pooling scheme.

[3] Other expenditure of £2.8m (£6.2m 2020/21) includes IT contracts, professional fees and other miscellaneous expenditure.

Note 6.2 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1m (2020/21: £1m).

Note 7 Impairment of assets

	2021/22 £000	2020/21 £000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations		-
Changes in market price	(387)	712
Total net impairments charged to operating surplus/deficit	**(387)**	**712**
Impairments charges to the revaluation reserve	(7,783)	4,747
Total net impairments	**(8,170)**	**5,459**

In 2021/22 the impact on the revaluation reserve (£7.8m) represented the increase in valuation due to the desktop revaluation of the Trust's estate as at 31 March 2022.

Note 8.1 Employee benefits

	2021/22 £000	2020/21 £000
Salaries and wages	221,466	217,751
Social security costs	21,300	19,566
Apprenticeship levy	1,107	943
Employer's contributions to NHS pension scheme	36,339	34,077
Pension cost - other	604	75
Temporary staff (including bank and agency)	31,868	27,559
Total gross staff costs	**312,684**	**299,971**
Of which:		
Staff costs capitalised as part of assets and therefore not included in operating expenditure	-	193
Total employee benefits shown in the analysis of operating expenditure	**312,684**	**299,778**

Details regarding the remuneration of senior managers can be found in the remuneration section of the Annual report.

Note 8.2 Retirements due to ill-health

During 2021/22 there were no early retirements from the trust agreed on the grounds of ill-health (4 in the year ended 31 March 2021). There were nil costs for the pension liability of these ill-health retirements (£125k in 2020/21).

These 2020/21 estimated costs are calculated on an average basis and were borne by the NHS Pension Scheme.

Note 9 Operating leases

Note 9.1 Wirral University Teaching Hospital NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Wirral University Teaching Hospital NHS Foundation Trust is the lessor.

	2021/22 £000	2020/21 £000
Operating lease revenue		
Minimum lease receipts	148	518
	148	518
	2021/22 £000	**2020/21 £000**

Future minimum lease receipts due:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	-	-

Operating lease income is derived from retail and other service providers who occupy premises at the trust's sites. Not included in the above note are the following 'peppercorn' (minimal) leases, which have been entered into to create service benefit.

Operating lease income is derived from retail and other service providers who occupy premises at the trust's sites. Not included in the above note are the following 'peppercorn' (minimal) leases, which have been entered into to create service benefit.

Frontis Homes Ltd – underlying Land related to staff accommodation blocks	June 2006	June 2046
Ronald McDonald House	December 2009	December 2034
Wirral Limb Centre – used by Ottoblock in providing an outsourced prosthetics service	July 2018	July 2021

Note 9.2 Wirral University Teaching Hospital NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating Lease arrangements where Wirral University Teaching Hospital NHS Foundation trust is the lessee.

	2021/22 £000	**2020/21 £000**
Operating lease expense		
Minimum lease payments	1,621	1,756
	1,621	1,756

	2021/22 £000	**2020/21 £000**
Future minimum lease payments due		
- not later than one year;	991	1,040
- later than one year and not later than five years;	2,797	3,248
- later than five years.	3,029	4,503
Total	**6,817**	**8,791**

The Trust holds a long-term lease for the use of car parking land at the Arrowe Park Hospital site, rents off-site premises to accommodate clinics, and also leases complex medical equipment used in the delivery of healthcare for periods not exceeding 10 years. Where applicable, break clauses in the Trust's lease contracts have been taken into account in the calculation of future minimum lease payments.

The Trust is also committed to a 15 year contract, which commenced in 2014/15, with the Carbon and Energy Fund, for the provision of a maintained energy service, including the installation of infrastructure assets at the Trust's main hospital sites. A 'lease' of the infrastructure assets in deemed to be embedded in the main service contract, through IFRIC 4 *Determining whether an Arrangement Contains a Lease.* Therefore, figures for these assets are included in the tables above.

Note 10 Finance income

Finance income represents interest received on assets and investments in the period.

	2021/22 £000	**2020/21 £000**
Interest on bank accounts	-	-
Other	36	2
Total finance income	**36**	**2**

Other finance income in 2021/22 and 2020/21 relates to late payment interest on legal cases.

Note 11.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2021/22 £000	2020/21 £000
Loans from the Department of Health and Social Care	199	225
Finance leases	3	5
Total interest expense	**202**	**230**
Other finance costs	150	(9)
Total finance costs	**352**	**221**

Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2021/22 £000	2020/21 £000
Amounts included within interest payable arising from claims under legislation	-	-

Note 11.3 Other gains and losses

	2021/22 £000	2020/21 £000
Gains on disposal of property, plant and equipment	7	5
Losses on disposal of property, plant and equipment	(117)	(99)
Losses recognised on return of donated COVID assets to DHSC	(134)	-
Total gains/(losses) on disposal of assets	**(244)**	**(94)**

Gains and losses in both 2021/22 and 2020/21 result from individual disposals of equipment assets.

Note 12.1 Intangible assets – 2021/22

	Software licences £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Gross cost at 1 April 2021 – brought forward	26,078	1,004	30	27,112
Additions	3,149	116	-	3,265
Reclassifications	145	(145)	-	-
Disposals/Derecognition	(1,266)	-	-	(1,266)
Gross cost at 31 March 2022	**28,106**	**975**	**30**	**29,111**
Amortisation at 1 April 2021 – brought forward	14,248	-	-	14,248
Provided during the year	1,257	-	-	1,257
Disposals/derecognition	(1,266)	-	-	(1,266)
Accumulated amortisation at 31 March 2022	**14,239**	**-**	**-**	**14,239**
Net book value at 31 March 2022	**13,867**	**975**	**30**	**14,872**

Note 12.2 Intangible assets – 2020/21

	Software licences	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000
Gross cost at 1 April 2020 – brought forward	25,848	1,152	30	27,029
Additions	8	75	-	83
Reclassifications	223	(223)	-	-
Gross cost at 31 March 2021	**26,079**	**1,004**	**30**	**27,112**
Amortisation at 1 April 2020 – brought forward	13,000	-	-	13,000
Provided during the year	1,248	-	-	1,248
Accumulated amortisation at 31 March 2021	**14,248**	**-**	**-**	**14,248**
Net book value at 31 March 2021	**11,831**	**1,004**	**30**	**12,864**

The useful economic lives of software licence assets at 31 March 2022 ranges from 2 years to 21 years. Other purchased assets comprise perpetual operating licences.

£1.0m of the balance held as intangible assets under construction relates to IT projects undertaken as part of the Digital Wirral (Global Digital Exemplar) programme.

Note 13.1 Property Plant & Equipment 2021/22	**Land**	**Buildings Excl dwellings**	**Dwellings**	**Assets under Construction**	**Plant & machinery**	**Transport equipment**	**Information technology**	**Furniture & fittings**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Valuations/gross cost at 1 April 2021 – brought forward	1,497	128,980	3,993	2,307	44,942	122	19,525	1,379	202,745
Additions	-	1,771	-	17,478	3,889	-	2,542	85	25,765
Impairments	-	(1,158)	-	-	-	-	-	-	(1,158)
Reversals of Impairments	56	8,885	-	-	-	-	-	-	8,941
Revaluations	97	(4,236)	221	-	-	-	-	-	(3,918)
Reclassifications	-	5,328	-	(6,383)	1,055	-	-	-	-
Transfers to/from assets held for sale									
Disposals/derecognition	-	-	-	-	(1,419)	(41)	(308)	-	(1,768)
Valuation gross at 31 March 2022	**1,650**	**139,570**	**4,214**	**13,402**	**48,467**	**81**	**21,759**	**1,464**	**230,607**
Accumulated depreciation at 1 April 2021 brought forward	-	-	-	-	25,158	91	12,884	1,053	39,186
Provided during the year	-	4,341	92	-	3,381	8	2,078	68	9,968
Impairments	-	604	-	-	-	-	-	-	604
Reversals of Impairments	(96)	(581)	(314)	-	-	-	-	-	(991)
Revaluations	96	(4,364)	222	-	-	-	-	-	(4,046)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to/from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals/derecognition	-	-	-	-	(1,116)	(41)	(308)	-	(1,465)
Accumulated depreciation at 31 March 2022	-	-	-	-	27,423	58	14,654	1,121	43,256
Net Book Value at 31 March 2022	**1,650**	**139,570**	**4,214**	**13,402**	**21,044**	**23**	**7,105**	**343**	**187,351**
Net Book Value at 31 March 2021	**1,497**	**128,980**	**3,993**	**2,307**	**19,784**	**32**	**6,642**	**326**	**163,560**

Note 13.2 Property Plant & Equipment 2020/21	Land	Buildings excl dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuations/gross cost at 1 April 2020 – brought forward	**1,497**	**132,337**	**4,147**	**2,432**	**39,019**	**122**	**16,412**	**1,398**	**197,364**
Additions	-	1,342	-	6,624	6,947	-	2,059	-	16,972
Impairments	-	(4,747)	-	-	-	-	-	-	(4,747)
Reversals of Impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(4,944)	(154)	-	-	-	-	-	(5,098)
Reclassifications	-	4,992	-	(6,749)	557	-	1,200	-	-
Transfers to/from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals/derecognition	-	-	-	-	(1,581)	-	(148)	(19)	(1,746)
Valuation gross at 31 March 2021	**1,497**	**128,980**	**3,993**	**2,307**	**44,942**	**122**	**19,525**	**1,379**	**202,745**
Accumulated depreciation at 1 April 2020 brought forward	**-**	**-**	**-**	**-**	**23,705**	**83**	**11,084**	**1,001**	**35,872**
Provided during the year	-	4,353	94	-	2,932	8	1,946	71	9,404
Impairments	-	651	61	-	-	-	-	-	712
Reversals of Impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(5,004)	(155)	-	-	-	-	-	(5,159)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to/from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals/derecognition	-	-	-	-	(1,479)	-	(146)	(19)	(1,644)
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**25,158**	**91**	**12,884**	**1,053**	**39,185**
Net Book Value at 31 March 2021	**1,497**	**128,980**	**3,993**	**2,307**	**19,784**	**32**	**6,642**	**326**	**163,560**
Net Book Value at 31 March 2020	**1,497**	**132,337**	**4,147**	**2,432**	**15,314**	**40**	**5,329**	**397**	**161,492**

During the year £2.0m of assets previously classified as assets under construction were commissioned. The most significant item within this was £0.6m relating to the refurbishment of the Intensive Care Unit. Of the £13.4m classified as assets under construction at 31 March 22 the most significant items are £6.5m relating to the construction of modular theatres at CBH, £2.2m relating to the refurbishment of wards at APH and £1.1m relating to the refurbishment of the restaurant and staff changing areas at APH.

Note 13.3 Property, plant and equipment financing - 2021/22

Net book value at 31 March 2022	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	1,650	138,178	-	13,402	19,130	24	7,100	329	179,813
Finance Leased	-	-	-	-	-	-	-	-	-
On-SoFP PFI contracts and other service	-	-	4,214	-	-	-	-	-	4,214
Owned – donated/granted	-	1,391	-	-	1,305	-	6	14	2,716
Owned – equipment donated from DHSC and NHSE for COVID response	-		-	-	608	-	-	-	608
NBV total at 31 March 2022	**1,650**	**139,569**	**4,214**	**13,402**	**21,043**	**24**	**7,106**	**343**	**187,351**

Net book value at 31 March 2021	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	1,497	127,229	-	2,307	17,913	32	6,556	308	155,841
Finance Leased	-	-	-	-	-	-	67	-	67
On-SoFP PFI contracts and other service	-	-	3,993	-	-	-	-	-	3,993
Owned – donated/granted	-	1,751	-	-	1,134	-	19	18	2,922
Owned – equipment donated from DHSC and NHSE for COVID response	-	-	-	-	737	-	-	-	737
NBV total at 31 March 2021	**1,497**	**128,980**	**3,993**	**2,307**	**19,784**	**32**	**6,642**	**326**	**163,560**

Note 14 Donations of property, plant and equipment

In 2021/22 the Trust recognised donated asset additions of £492k (£902k 2020/21), £84k of this being equipment donated from DGSC for COVID response. The remaining £408k related to cash additions (£165k 2020/21).

Note 15 Revaluations of property, plant and equipment

The value and remaining useful lives of land and building assets are estimated by the Trust's valuers Cushman & Wakefield. Their independent valuations are carried out in accordance with the Royal Institute of Chartered Surveyors' *RICS Valuation - Global Standards* (the 'Red Book'), and other relevant RICS guidance notes, by RICS-qualified valuers. Valuations are carried out primarily on the basis of depreciated replacement cost (modern equivalent asset (MEA) basis) for specialised operational property. The Trust has opted to interpret the MEA valuation basis, which estimates the cost of a modern replacement asset with equivalent productive capacity to the asset being valued, as pertaining to a single combined hospital facility.

Revalued assets are 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. Thereafter, the loss is charged to operating expenditure - net impairments. Increases in value are credited to the revaluation reserve unless circumstances arise whereby a reversal of impairment is necessary. In these circumstances this has been credited to operating expenditure - net impairments.

A desktop revaluation of the Trust's estate was undertaken as at the valuation date of 31 March 2022. The last full revaluation of the Trust's estate was undertaken as at 31 March 2019. This resulted in a net revaluation gain recorded in the revaluation reserve (within the Statement of Financial Position) of £7.9m, which is also disclosed within *Other comprehensive income* , and a net impairment charged to income and expenditure (within the Statement of Comprehensive Income) of £0.4m.

The Trust continues to place reliance on the valuation which has been produced to the same professional standards and regulations as in prior years. It will further mitigate the risk of material misstatement of asset values by maintaining the existing annual revaluation cycle of Trust properties. The useful economic 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. The lives of assets determined at recognition are disclosed within the accounting policies. The remaining useful economic lives of non-land property assets as at 31 March 2022 are as follows:

Buildings excluding dwellings	7 to 47 years.
Dwellings	42 years.

Note 16 Joint operations

The Trust has determined that, in addition to its subsidiary charity, it has interests in two 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, where material, its share of the assets, liabilities, income and expenditure relating to its joint operations.

The Trust does not attribute levels of risk significantly above 'business as usual' with these arrangements, as its joint operator is a partner NHS body, working together with the Trust within the same healthcare operating environment. In practical terms, this translates to a longstanding related party relationship based on contracts and transactions, collaborative working, shared objectives and common policies. In addition, the 'going concern' risk and credit risk associated with other NHS bodies is very low.

The Trust has no material joint operations, but collaborates in two lesser operations:

Cheshire and Wirral Microbiology Service (CWMS)

The Trust works collaboratively with Countess of Chester Hospital NHS Foundation Trust to provide microbiology laboratory services to both trusts. CWMS was established in 2012, and the intention of the arrangement is to reduce running costs through joint use of a modern site and laboratory facilities, to provide resilience in each trust's microbiology service, and to enable both trusts to respond to future market opportunities.

The majority of CWMS activity is carried out in the main combined laboratory in Bromborough, which is jointly and equally owned by the two trusts. The carrying value of the Trust's half of this asset in its Statement of Financial Position is £1.0m. Additionally, there are small satellite laboratories at each hospital site for urgent out-of-hours specimens.

The Trust retains the rights to assets contributed at the start of the arrangement. The Trust is responsible for the administration of CWMS payroll costs, and wholly recharges these costs to Countess of Chester Hospital NHS Foundation Trust.

As the financial 'host' partner, Countess of Chester Hospital NHS Foundation Trust retains the obligation to pay other suppliers' invoices, and offsets all direct and recharged costs against the income generated by CWMS for tests performed for both the trusts and new customers, using a tariff of prices. In 2021/22, the Trust's net expenditure on CWMS services was £0.4m (2020/21 £1.6m)

HR and Wellbeing Business Services (HRWBS)

This arrangement was created in 2011 and is jointly operated by the Trust and Countess of Chester Hospital NHS Foundation Trust (the 'host' operator). This collaboration was designed to create savings through scale efficiencies and provide resilience to each of the operators' HR functions, including payroll and recruitment.

Activities are carried out at the Countess of Chester Health Park, and end-user services can be accessed via intranet portal. In 2021/22, HRWBS has additionally sold services to Cheshire and Wirral Partnership NHS Foundation Trust, Wirral Clinical Commissioning Group, East Cheshire Foundation Trust and Wirral Community NHS Trust.

Assets purchased are owned by the purchasing trust, with the further possibility of joint procurement of future assets. As the 'host' operator, Countess of Chester Hospital NHS Foundation Trust is responsible for HRWBS staff and administering the payment of staff and suppliers in the first instance. Each trust is ultimately responsible for its share of HRWBS's costs, and the net charge to the Trust for 2021/22 is £0.3m (2020/21 £0.4m)

Note 17 Inventories

	2021/22 £000	2020/21 £000
Drugs	1,276	1,332
Consumables	3,391	2,848
Consumables donated from DHSC group bodies (PPE)	231	582
Energy	26	26
Total stock held at net realisable value	**4,924**	**4,788**

Inventories recognised in expenditure for the year totalled £57.1m (£51.3m 2020/21). In 2021/22 this expenditure includes the centrally procured PPE consumables.

Write-down of inventories recognised as expenditure for the year totalled £202k (£38k 2020/21).

Due to the operational pressure the Trust has faced throughout the year as a result of the COVID pandemic it has not been possible to undertake physical stock counts in all areas. Consequently the Trust undertook alternative procedures which included estimation of stock levels based on stock levels from previous years. This estimation applied to only 7.7% of the overall stock value so is therefore not material.

Note 18.1 Receivables

	2021/22 £000	2020/21 £000
Current:		
Contract receivables	18,023	14,692
Capital Receivables	169	-
Allowance for impaired contract receivables / assets	(1,551)	(1,468)
Deposits and advances	75	58
Prepayments (non-PFI)	1,885	2,574
Interest receivable	20	-
PDC dividend receivable	-	371
VAT receivable	1,264	1,036
Other receivables	17	-
Total current receivables	**19,902**	**17,263**
Non-current:		
Contract receivables	1,974	740
Allowance for impaired contract receivables / assets	-	(166)
Other receivables	380	295
Total non-current receivables	**2,354**	**869**
Of which is receivable from NHS and DHSC group bodies:		
Current	13,874	10,737
Non-current	380	295

Note 18.2 Allowances for credit losses

	2021/22 £000	2020/21 £000
Allowances as at 1 April - brought forward	1,634	785
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018		
New allowances arising	(83)	983
Reversals of allowances	-	-
Utilisation of allowances (write offs)	-	(134)
Allowances at 31 March	**1,551**	**1,634**

Note 19.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2021/22 £000	2020/21 £000
At 1 April	21,293	5,931
Net change in year	15,143	15,362
At 31 March	**36,436**	**21,293**
Broken down into:		
Cash at commercial banks and in hand	-	39
Cash with the Government Banking Service	36,436	21,254

Note 19.2 Third party assets held by the trust

During the year the Trust held cash relating to monies held on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	2021/22 £000	2020/21 £000
Bank balances	6	10
Total third party assets	**6**	**10**

Note 20 Trade and other payables

	2021/22 £000	2020/21 £000
Current:		
Trade payables	2,319	1,386
Capital payables	13,698	4,288
Accruals	28,858	24,681
Annual leave accrual	5,081	5,081
Receipts in advance and payments on account	-	83
Social security costs	3,292	3,040
Other taxes payable	3,068	5,731
Other payables	4,276	247
Total current trade and other payables	**60,592**	**44,537**
Of which payable to NHS and DHSC group bodies:		
Current	5,350	4,151

Other taxes payables includes amounts owed to HMRC which relates to both employee salary deductions and employer contributions.

The Better Payment Practice Code (BPPC) gives NHS organisations a target of paying 95% of undisputed invoices within 30 calendar days of the receipt of either goods or a valid invoice (whichever is later), unless other payment terms have been agreed. Information regarding the Trust's BPPC performance is within the Annual Report's Directors' report.

Note 21 Other liabilities

	2021/22 £000	2020/21 £000
Current:		
Deferred income: contract liabilities	10,593	4,513
Deferred PFI income	109	109
Total other current liabilities	**10,702**	**4,622**
Non-current:		
Deferred PFI income	2,371	2,479
Total other non-current liabilities	**2,371**	**2,479**

The non-current deferred income balance above is wholly attributable to the staff accommodation blocks which are owned and operated by Frontis Homes Limited, and which are accounted for as ‘on-Statement of Financial Position’ in accordance with IFRIC 12. The deferred income balance represents the benefit to the Trust of the arrangement's future 'service potential' and is released to the Statement of Comprehensive Income (SOCI) over the period of the concession. Therefore, there is a corresponding balance in current PFI deferred income which represents next year's income release.

Note 22.1 Borrowings

	2021/22 £000	2020/21 £000
Current:		
Loans from the Department of Health and Social Care	1,022	1,024
Obligations under finance leases	-	66
Total current borrowings	**1,022**	**1,090**
Non-current:		
Loans from the Department of Health and Social Care	4,177	5,193
Total other non-current liabilities	**4,177**	**5,193**

Note 22.2 Reconciliation of liabilities arising from financing activities – 2021/22

	Loans from DHSC £000	Finance leases £000	Total £000
Carrying value at 1 April 2021	6,217	66	6,283
Cash movements:			
Financing cash flows – payments and receipts of principal	(1,015)	(66)	(1,081)
Financing cash flows – payment of interest	(200)	(3)	(203)
Non-cash movements:			
Application of effective interest rate	197	3	200
Carry value at 31 March 2022	**5,199**	**-**	**5,199**

Note 22.3 Reconciliation of liabilities arising from financing activities – 2020/21

	Loans from DHSC £000	Finance leases £000	Total £000
Carrying value at 1 April 2020	91,378	130	91,508
Cash movements:			
Financing cash flows – payments and receipts of principal	(84,899)	(64)	(84,963)
Financing cash flows – payment of interest	(487)	(5)	(492)
Non-cash movements:			
Application of effective interest rate	225	5	230
Carry value at 31 March 2021	**6,217**	**66**	**6,283**

Note 23 Finance leases

Obligations under finance leases where the Trust is the lessee:

	2021/22 £000	2020/21 £000
Gross lease liabilities		**66**
Of which liabilities are due:		
Not later than one year	-	66
Later than one year and not later than five years	-	-
Later than five years	-	-
Finance charges allocated to future periods	-	-
Net lease liabilities	-	66
Of which liabilities are due:		
Not later than one year	-	66
Later than one year and not later than five years	-	-
Later than five years	-	-

As lessee the Trust holds a single finance lease for digital data storage, with a whole-life duration of 5 years. The Trust has the option to purchase the equipment for a nominal amount at the end of the lease term.

Note 24.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
Opening balance	1,714	1,748	2,018	9,093	14,573
Transfers by absorption	-	-	-	-	-
Change in the discount rate	107	85		(9)	183
Arising during the year	-	-	25	2,503	2,528
Utilised during the year	(184)	(113)	-	(920)	(1,217)
Reversed unused	(1)	-	(472)	-	(473)
Unwinding of discounts	(16)	(17)	-	-	(33)
	1,620	**1,703**	**1,571**	**10,667**	**15,561**
Expected timing of cash flows					
- not later than one year	134	79	1,571	5,200	6,984
- later than one year and not later than five years	696	418	-	4,254	5,368
- later than five years	790	1,206	-	1,213	3,209
Total	**1,620**	**1,703**	**1,571**	**10,667**	**15,561**

Legal claims are primarily made up of employee tribunal and employer liability claims.

The amount provided for employer's / public liability claims is based on assessments received from NHS Resolution (NHSR) as to their value and anticipated payment date, plus local assessments on a small number of other employee related legal cases.

Other provisions largely comprise of contractual obligations (£4.2m) to compensate the operator for foregone rental income, resulting from ongoing under-occupancy of the staff accommodation blocks at the Trust's Arrowe Park site which are owned and operated by Frontis Homes Limited (within Your Housing Group). A further £1.7m in relation to Flowers and £1.1m is held in respect of contractual VAT obligations which the Trust became aware of in February 2019, for which there is a corresponding contingent liability of £0.4m (£0.4m 2020/21).

Note 24.2 Clinical negligence liabilities

At 31 March 2022 £402,244k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Wirral University Teaching Hospital NHS Foundation Trust (31 March 2021 £294,675k).

Note 25 Contingent assets and liabilities

	31 March 2022 £000	31 March 2021 £000
Value of contingent liabilities		
NHS Resolution legal claims	(105)	(116)
Employer tribunal and other employer related litigation		-
Other	(380)	(380)
Gross value of contingent liabilities	**(485)**	**(496)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(485)**	**(496)**

The Trust has been informed of its contingent liability of £105k (31 March 2021 £116k) in respect of NHS Resolution legal claims.

Note 26 Contractual capital commitments

	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment	4,300	1,666
Intangible assets	265	257
Total	**4,565**	**1,923**

Capital commitments at 31 March 2022 relate to infrastructure and upgrade projects.

Note 27 Financial instruments

Note 27.1 Financial risk management

Liquidity risk
The Trust's net operating costs are incurred in delivering healthcare under annual contracts with Clinical Commissioning Groups (CCGs), which are ultimately funded from resources voted annually by Parliament. The Trust usually receives this CCG income through 'block' (fixed) payments. Monthly payments are received from CCGs based on annual service contracts, and this national framework reduces the Trust's exposure to liquidity risk.

The Trust borrows from the Department of Health and Social Care (DHSC) for operating purposes, and actively mitigates liquidity risk by daily cash management procedures incorporating the timely initiation of loans, keeping all cash balances in an appropriately liquid form. Liquidity is monitored by the Trust's Board on a monthly basis through monthly reports on movements, variances and trends in cash-flows, and the liquidity metric measured within the NHSI's Use of Resources (UoR) Rating.

The Trust may borrow from commercial organisations to support liquidity, but currently has no commercial borrowings.
The Trust also holds two fixed interest rate loans with DHSC which have funded past capital developments, as follows:

25 year loan of £6.5m at 4.32%, drawn down in 2009/10.
10 year loan of £7.5m at 1.96%, drawn down in 2014/15.

Repayments on the capital loans have commenced and are paid according to a set schedule over the period of the loans. To date, £8.8m has been repaid.

The loan repayment schedule is contained within the maturity of financial liabilities table in Note 27.4.

Credit risk
The Trust minimises its exposure to credit risk arising from deposits with banks and financial institutions through implementing its Treasury Management procedures. Cash required for day to day operational purposes is held within the Trust's Government Banking Services (GBS) account. GBS balances are swept into the Bank of England overnight, with the specific aim of reducing credit risk exposure for bodies within government.

The Trust regularly reviews debtor balances and has a comprehensive system in place for pursuing past-due debt. Aged debts are regularly assessed and proactive credit control is in place, including referral to debt recovery agents when internal efforts are exhausted and it is deemed potentially cost-effective to pursue. Every quarter, aged debts are individually presented to the Trust's Audit Committee for further scrutiny.

The main source of income for the Trust is from CCGs in respect of healthcare services provided under contractual agreements. The credit risk associated with such customers is minimal. Non-NHS customers (for example, private patients and prescription charges) typically have a higher rate of write-off, but represent a small proportion of income. Therefore, the Trust is not exposed to significant credit risk from its customers.

The movement in the Allowance for credit losses during the year is disclosed in Note 18.2. The Trust's approach to the impairment of financial assets is detailed in Note 1 Accounting Policies.

The carrying amount of financial assets represents the Trust's maximum level of credit exposure. Therefore, the maximum exposure to credit risk at the Statement of Financial Position date was £55.2m (£35.3m 2020/21), being the total of the carrying amount of financial assets excluding cash (Note 27.2). There are no amounts held as collateral against these balances.

Market 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.

The Trust does not invest for capital appreciation. 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.

Note 27.2 Carrying values of financial assets

In the following notes, non-financial assets and non-financial liabilities are excluded. Therefore, the receivables and payables figures are lower than their respective balances within the Statement of Financial Position (SOFP).

	Held at amortised cost £000
Carrying values of financial assets at 31 March 2022	
Trade and other receivables excluding non-financial assets	18,781
Cash and cash equivalents	36,436
Total at 31 March 2022	**55,217**
Carrying values of financial assets at 31 March 2021	
Trade and other receivables excluding non-financial assets	14,093
Cash and cash equivalents	21,293
Total at 31 March 2021	**35,386**

Note 27.3 Carrying values of financial liabilities

	Held at amortised cost £000
Carrying values of financial liabilities at 31 March 2022	
Loans from the Department of Health and Social Care	5,199
Obligations under finance leases	-
Trade and other payables excluding non-financial liabilities	47,118
Provisions under contract	8,524
Total at 31 March 2022	**60,841**

	£000
Carrying values of financial liabilities at 31 March 2021	
Loans from the Department of Health and Social Care	6,217
Obligations under finance leases	66
Trade and other payables excluding non-financial liabilities	29,476
Provisions under contract	7,672
Total at 31 March 2021	**43,431**

Note 27.4 Maturity of financial liabilities

	31 March 2022	31 March 2021
	£000	£000
In one year or less	51,743	33,537
In more than one year but not more than five years	6,881	7,825
In more than five years	3,191	3,239
Total	**61,815**	**44,601**

Note 27.5 Fair values of financial assets and liabilities

The Trust has two capital loans and a number of revenue support loans with the Department of Health and Social Care. The carrying value of the 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 28 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 made the following losses and special payments, on an accruals basis (with the exception of provisions for future losses), during the financial year.

	2021/22		2020/21	
	Total number of cases No.	Total value of cases £000	Total number of cases No.	Total value of cases £000
Losses				
Cash losses	16	12	23	32
Bad debts and claims abandoned	10	20	26	103
Stores losses and damage to property	5	202	6	138
	31	**234**	**55**	**273**
Special payments				
Compensation under court order or legally binding arbitration award	1	13	-	-
Ex-gratia payments	36	1,244	45	143
Total	**37**	**1,257**	**45**	**143**
Total losses and special payments	**68**	**1,491**	**100**	**416**

There was one item over the disclosure threshold of £300k in Special Payments for overtime corrective payments recorded in 2021/22 and nil items in 2020/21.

Note 29 Related parties

Whole of Government Accounts (WGA) and consolidation

Wirral University Teaching Hospital NHS Foundation Trust is a public benefit corporation established under the NHS Act 2006. Monitor (operating as NHS Improvement) does not prepare group accounts, but rather, it prepares *NHS foundation trusts: consolidated accounts* for further consolidation into the Department of Health and Social Care's accounts, and, ultimately, the Whole of Government Accounts. Monitor (operating as NHS Improvement) has powers to control NHS foundation trusts, but its financial results are not incorporated within the consolidated accounts, and it cannot be considered to be the parent undertaking for foundation trusts. The Department of Health and Social Care (DHSC) is the parent department of the foundation trust sector. 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.

WGA bodies

All bodies within the scope of the Whole of Government Accounts 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. Listed below are those entities other than DHSC for which the total transactions or total balances with the Trust have been collectively significant or potentially material to the other body.

Betsi Cadwaladr University Local Health Board	NHS Wirral CCG
Countess of Chester Hospital NHS Foundation Trust	NHS England (including sub-entities)
St Helens and Knowsley NHS Trust	Health Education England
The Clatterbridge Cancer Centre NHS Foundation Trust	NHS Pension Scheme
Wirral Community NHS Foundation Trust	NHS Resolution (formerly NHS Litigation Authority)
NHS Cheshire CCG	NHS Professionals
NHS Liverpool CCG	

Public dividend capital (PDC) transactions with DHSC

The Trust made PDC dividend payments to DHSC totalling £4.5m (£3.4m 2020/21). There is a £0.2m year-end payable of PDC dividend (£nil 2020/21). There is a nil year-end receivable for PDC dividend (£0.4m 2020/21).

Allowance for credit losses - related parties

No related party debts have been written off by the Trust in 2021/22 (none in 2020/21). The Trust's *Allowance for credit losses* is calculated such that it includes no balance in relation to its related parties.

Charitable related parties - WUTH Charity

Wirral University Teaching Hospital NHS Foundation Trust Charitable Fund (registered charity number 1050469, known as 'WUTH Charity') 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 capital and revenue items for the benefit of the Trust's patients. Further details can be found at https://www.wuthcharity.org/.

The Charity's total funds balance as at 31 March 2022 was £1.3m (£1m 2020/21) with net income of £0.2m (£0.1m net income 2020/21). During the year the Charity incurred expenditure of £0.3m (£0.3m 2020/21) in respect of goods and services for which the Trust was the main beneficiary.

Other related parties

Aside from the Trust's Charity, the Trust has no subsidiaries or associates.

Key management personnel

Key management personnel are *related parties* to the Trust and are defined in IAS 24 *Related Party Disclosures* as 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.' They are identified by the Trust as being the same individuals as the 'senior managers' which are disclosed in the remuneration section of the Annual Report, which contains details of their remuneration and other benefits.

In 2021/22, the Trust had expenditure as follows:

- £10k with Edge Hill University where Stephen Igoe is Deputy Vice-Chancellor
- £18k with Healthcare Financial Management Association (HFMA) where Claire Wilson is a Trustee
- £21,740k with NHS Professionals where Tracy Fennell's Partner is NHSP registered and books shifts via NHSP
- £51k with Northern Care Alliance NHS Group (previously Salford Royal), where Janelle Holme's spouse is a Senior Manager.

These expenditures are not believed to be in any way material to either party as all dealings were undertaken on an arms-length basis.

During the financial year under review, no other member of key management personnel, and no other party closely related to these individuals outside of the NHS, has undertaken transactions with Wirral University Teaching Hospital NHS Foundation Trust.

Note 30 Events after the reporting date

The Trust has not identified any events that occurred after the reporting year that would require disclosure as non-adjusting events in accordance with IAS10.