



**Aintree University Hospital**  
NHS Foundation Trust



# ANNUAL REPORT & ACCOUNTS

2017/18



Getting it **right**  
for **every** patient  
**every** time

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NHS Foundation Trust

**Annual Report and Accounts**  
**2017/18**

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Presented to Parliament pursuant to Schedule 7,  
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# Chairman's Foreword

Welcome to our 2017/18 Annual Report where we share with you some of Aintree's achievements and challenges over the past year in providing services to our communities across North Mersey.



**We are acutely aware that the NHS faces unprecedented demand for its services, with all providers under pressure to find new ways of delivering services against a backdrop of a tough climate for public spending. Part of our response to this challenge has been to take steps, in collaboration with our partners, to transform the delivery of healthcare services.**

Aintree's local population is an increasingly ageing one with patients having many co-morbidities and, in common with other NHS organisations, our hospital is extremely busy with more patients attending our Accident & Emergency Department than ever before. Our urgent care and emergency services came under significant pressure in 2017/18 but, throughout it all, we remained focused on delivering the highest quality health care. If at times we fall short of expectations, we make every endeavour to put things right and learn from the experience to the benefit of our patients.

We were very disappointed to receive an overall rating for the Trust of 'Requires Improvement', following

the inspection by the Care Quality Commission (CQC) in October 2017, although we were delighted that the inspection team found much for us to be proud of and rated the overall care at Aintree as 'good'; and identified pharmacy as having outstanding practice. We recognise there is still more to do and we are working quickly on those areas where we need to improve the quality of services for our patients.

We have made significant effort, working with our staff and with external partners to make improvements in our A&E performance. Although we did not achieve the 4-hour standard, we were identified as the most improved Trust through the winter period which the Board has recognised as a significant achievement.

As ever, the motivation and dedication of our staff has been truly magnificent. All of them - those on the frontline providing care or behind the scenes supporting clinical services and those who keep our Trust functioning every day who patients might never meet but who, nevertheless, play a vital role in

ensuring that Aintree continues to provide the highest quality care and the best possible experience for those who need it – deserve our praise and recognition. They continue to rise to the challenges that operational pressures bring and demonstrate their competence and compassion every single day.

The Board has continued to meet with our staff through the 'Conversations with the Board' and by visiting most areas of the Trust with the Director Walk Rounds. The Board Conversations in particular allowed us to hear the views of our staff about patient safety as well as listening to their concerns and the impact on them from the increased operational pressures. The role of the Board is to ensure we try and do something about those concerns where we can.

We are proud of Aintree and, despite the financial pressures facing us, want to ensure that the hospital provides the right environment for treating our patients and for staff to work in. We were delighted, therefore, after three years of development, to have our Urgent Care & Trauma Centre officially opened by the HRH Duke

of Cambridge in September 2017. This event gave us the opportunity to showcase the £35m state-of-the-art facilities, recognise the staff who had worked on the development and acknowledge the £1m contribution to the construction of the helipad by the HELP Appeal.

In March 2018, the Board decided to invest £8m in improving our services. Investments were made in a number of critical areas including nurse staffing, Accident & Emergency, medicine for the elderly, general surgery and general medicine. Although this would increase the planned deficit for 2018/19, the Board was unanimous in its view that maintaining safe, responsive and effective patient services was more important.

We continue to benefit from working closely with a range of local partners including MPs, NHS commissioners, local authorities, universities and the third sector, plus other NHS organisations and employers to ensure that we play an active part in the life of the communities we serve and further afield. We share stories about this collaborative working and promote our service developments

**Our patients have remained at the heart of all we do with our staff consistently going beyond the call of duty to provide our patients with outstanding care.**

through traditional and social media and many people now follow us on Twitter and other media.

The Council of Governors continues to support the organisation to meet the needs of patients and provides constructive challenge to the Board in line with its statutory duties. We said goodbye in July to those governors who had completed their term of office and welcomed new governors to the Council. Our volunteers play an important part in the life of our hospital and I am honoured and humbled by their unfailing support to our patients.

We welcomed a new Medical Director, Dr Tristan Cope, and a new Chief Nurse, Dianne Brown, in April 2017. During the year, our Deputy Chief Executive, Angie Smithson took up

the role of Transaction Integration Director to focus full-time on the proposed merger with The Royal Liverpool & Broadgreen University Hospitals Trust. Beth Weston joined the Board as the Trust's Chief Operating Officer and Sue Green, Director of People & Corporate Affairs left the Trust on 31 March 2018.

Life in the NHS continues to be challenging but also rewarding – our patients have remained at the heart of all we do with our staff consistently going beyond the call of duty to provide our patients with outstanding care.

We welcome the on-going support we receive from all our partners but, most importantly, we are grateful to our staff and our volunteers whose commitment to Aintree and our patients will help us to deliver the future they deserve.



**Dr Neil Goodwin CBE**  
Chairman

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**Performance  
Report**

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# Overview

This section provides summary information about Aintree University Hospital NHS Foundation Trust, our purpose, the key risks to the achievement of our objectives and how the Trust has performed during the year.

Aintree University Hospital NHS Foundation Trust is a large teaching hospital in Liverpool serving a population of around 330,000 in North Liverpool, South Sefton and Kirkby. Our vision is: **to be a leading provider of the highest quality healthcare.**

We became a NHS foundation trust on 1 August 2006 established as a public benefit corporation authorised under the National Health Service Act 2006. Aintree University Hospital NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. Being a foundation trust means that we have more control of how we manage our budgets and shape the services we provide to reflect the needs and priorities of our patients and local community. Our Council of Governors ensures that we listen to the views of our patients and those living locally, our staff and other interested parties so that we can make improvements to our services and the information about these services.

Our common purpose of "getting it right for every patient every time" is central to the quality of the services we deliver and is wholeheartedly supported by our staff.

The local population served by Aintree includes some of the most socially deprived communities in the country, with significantly lower than the England average life expectancy and high levels of morbidity. The population profile is also ageing rapidly with some neighbourhoods having a projected growth of around 45% expected in the over 75s. These factors combine to create significant demand for hospital-based care.

The Trust is a teaching hospital of both the University of Liverpool and Edge Hill University. We provide high quality elective and emergency care services to meet the day-to-day needs of our local community. In addition, we also provide high quality specialist services including major trauma, hyper-acute stroke, complex obesity, regional head and neck surgery, upper GI cancer, hepatobiliary and liver and specialist endocrine services.



We also work with our partners to provide a range of services in community settings including diabetes, rheumatology, ophthalmology and alcohol services. Other tertiary services provided by the Trust to a much wider population of around 1.5 million in Merseyside, Cheshire, South Lancashire and North Wales include respiratory medicine, rheumatology, maxillofacial and liver surgery. We are proud of our close partnerships with other NHS organisations and Local Authorities.

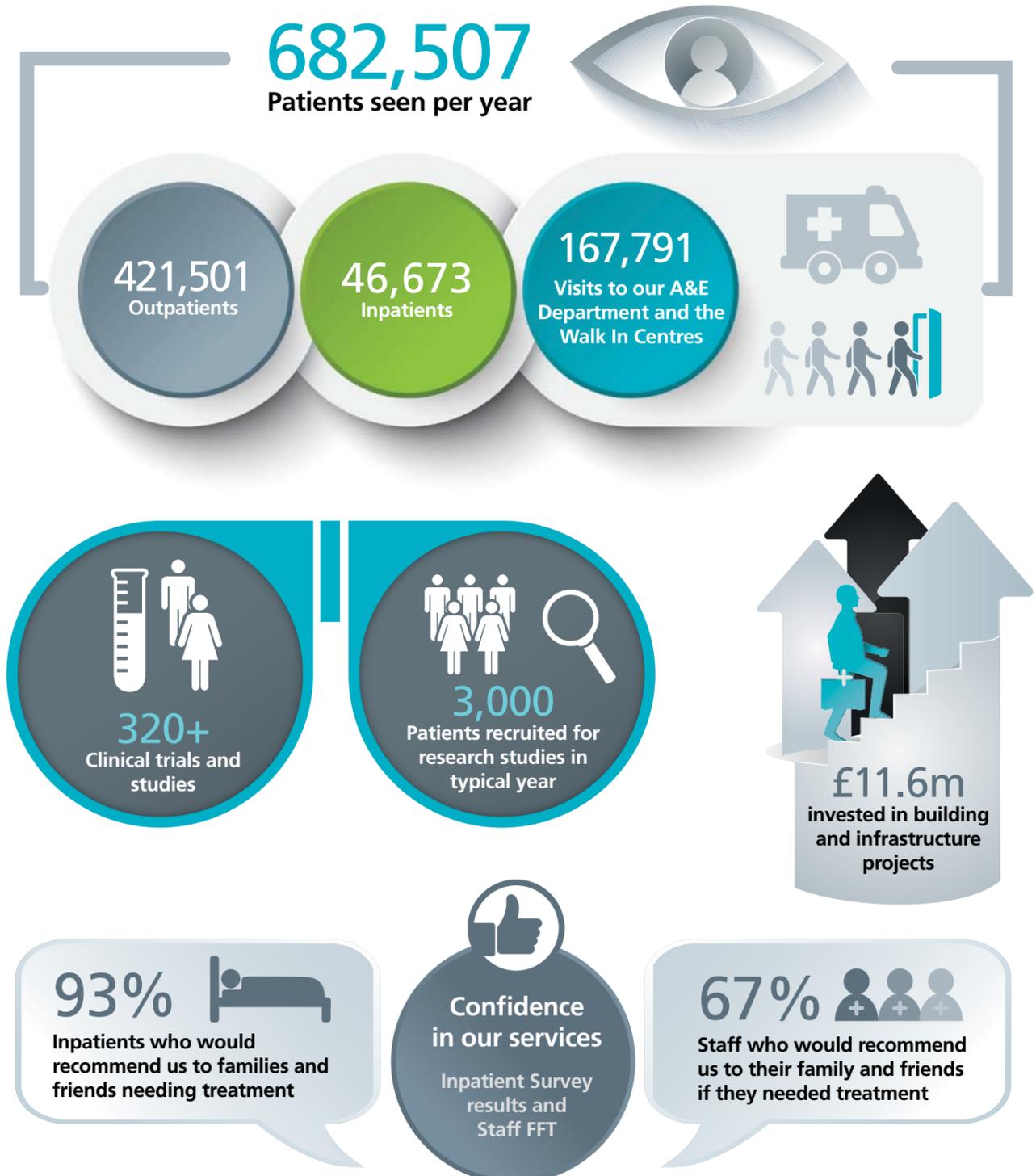
## What we do

On average we see over 421,000 outpatients, 168,000 A&E / Walk In Centre attendances and admit over 93,000 patients each year.

The Trust is one of the largest local employers with over 4,900 staff working at Aintree and also delivering services in the community. We are recognised for our support of our staff through training (including our award winning apprenticeship programme) and our engagement and staff development programmes.

Aintree is a recognised centre for multi-disciplinary health research and education, enjoying close collaboration with the University of Liverpool, Edge Hill University, Liverpool John Moores University, the University of Chester and other NHS Trusts. The training and education of staff combined with our clinical research impacts positively on the care we provide for our patients by helping to attract the very best staff.

At the end of 2017/18, the Trust had non-current assets of over £186 million and an annual income in excess of £350 million. We contract with over 20 commissioning bodies, including those in North Wales and the Isle of Man.



# Highlights of 2017/18



Proud of Aintree Excellence Awards 2017



Duke of Cambridge – grand opening of Urgent Care and Trauma Centre



I donate campaign



End PJ Paralysis campaign #EndPJparalysis



ACE Award presentation - Ward 15 Nephrology



Flu-Fighter Campaign



Frailty Unit – knitted cannula sleeves for dementia patients



Chinese Doctors placement



Organ Donation memorial garden

## Chief Executive's statement on Aintree's 2017/18 performance



It has been a year of challenges but our staff remain true to our common purpose 'to get it right for every patient every time' and we have worked with our partners to transform the delivery of all our services.

**Aintree, in common with the wider NHS, continues to face significant operational and financial pressures and we have worked hard to ensure that we remain focused on delivering high quality and safe services. We have also moved closer to realising our strategic aim, to transform the delivery of our services across the local health economy through increased collaborative working with partners.**

The Trust had a unprecedented number of patients seeking care from our services both at Aintree Hospital and the Walk In Centres at Kirkby and Litherland. This reflects our reputation as a provider of choice but also requires us to work closely with our commissioners and other key partners to ensure that these higher levels of activity can be managed and alternatives to hospital are in place, wherever possible.

**We became the most improved Trust in Cheshire & Merseyside during the winter months for A&E performance.**

We remained focused on our efforts to deliver the A&E 4 hour access standard and were supported in these endeavours by Ernst & Young to deliver a series of activities under the non-elective flow programme. We made some notable improvements in year so that we became the most improved Trust in Cheshire & Merseyside during the winter months. We will continue to build on these improvements in 2018/19.

The inspection of our services by the Care Quality Commission in October 2017 received a 'Requires Improvement' rating. Although this was disappointing, we recognised that we needed to address the gaps identified and had already started work to do this. Our Aintree Quality

Improvement Plan will incorporate these actions and will be further developed in 2018/19 to include actions to improve quality more widely across the Trust.

We are aware that some of our staff had been concerned that patient safety was not at the forefront for the Trust. The Board explored this at length with representatives from Divisions in every Conversation with the Board held in 2017/18 and concluded that this was not a widely held view in the Trust. The conclusion was reinforced by the Board's decision in March 2018 to invest £8m in the Trust's services and in its staff, with £1.8m to be used to increase the number of nurses employed at Aintree. This investment was also made to support our response to the shortages of qualified staff nationally and locally and the need to consider alternative staffing models.

We became the most improved Trust in Cheshire & Merseyside during the winter months for A&E performance. We have made significant progress to develop our proposals for a Health and Well-being Campus on our existing site which provides an opportunity to greatly enhance health care facilities to better meet the needs of our local population by creating a community aligned with the NHS healthy new town model. Using monies we received from the One Public estate programme we have now commenced engagement with potential key stakeholders and received many positive expressions of interest. The proposal involves the redevelopment of land, much of which is currently under-utilised and in some areas vacant, to deliver a high quality mixed use development with sustainable new homes and places of care. It will create full time employment positions and has been identified by the Department of Health as a priority scheme for development.

We held our annual **Proud of Aintree Excellence Awards** in

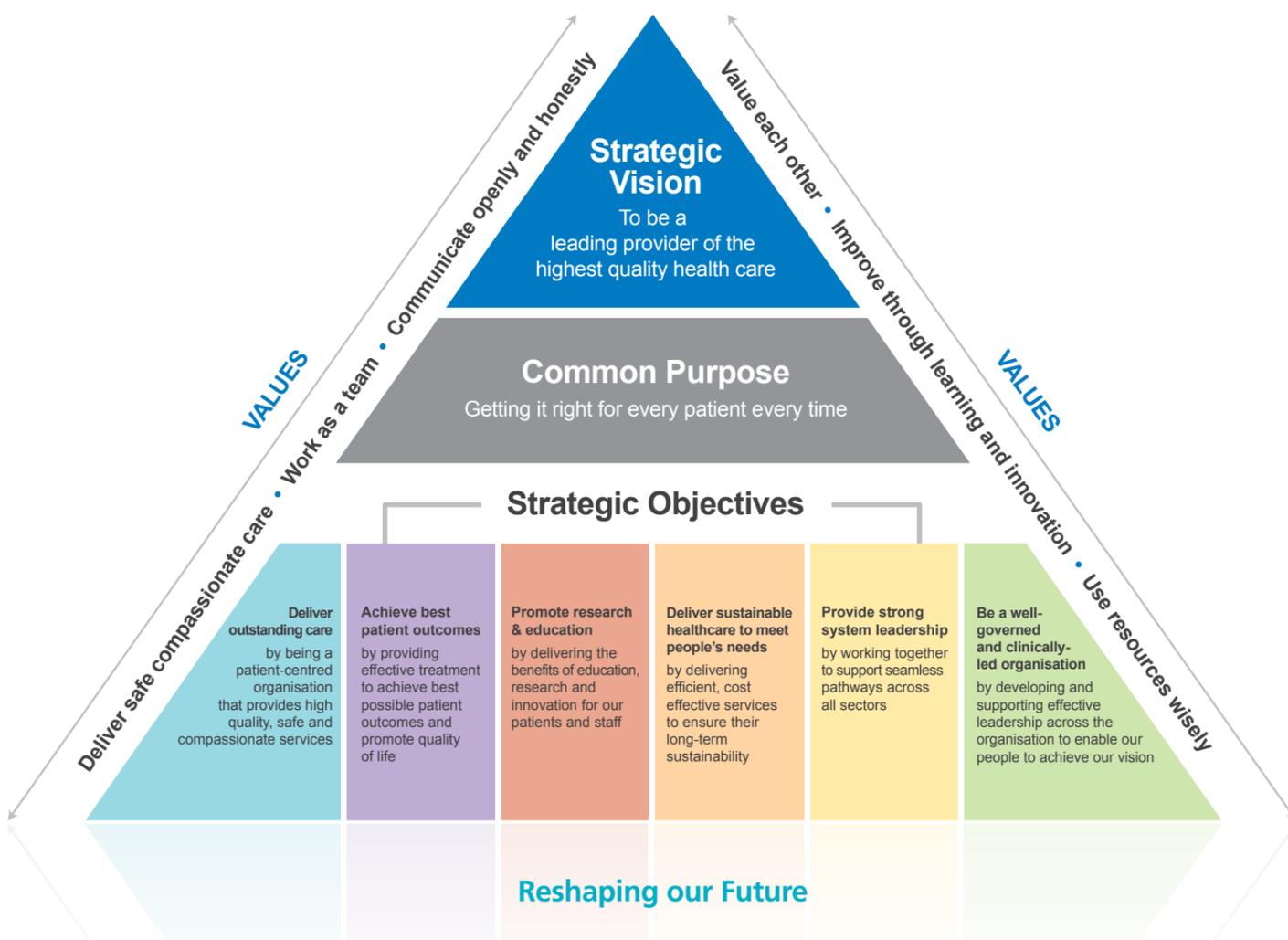
October 2017 at St George's Hall and a record number of staff attended. The Proud of Aintree award - which is decided by members of the public who nominate teams and individuals they feel have made a real difference to their care - was won by Paul Flynn, Governance Lead for Surgery & Anaesthesia after being nominated by a patient for his excellent work ethic, compassion and commitment to improving patient safety. The Physiotherapy Ventilation Team won an Outstanding Contribution to Safety Award for the development of an electronic tool to facilitate safe care from the moment of admission for Home Ventilation users. Awards were presented to 19 teams and individuals from across the hospital during the ceremony including Outstanding Contribution to Safety, Learner of the Year, Team of the Year, Clinical Leader of the Year, Volunteer of the Year and Employee of the Year.

More of our staff completed the national **NHS Survey** in Autumn 2017 than in the previous year, placing us above the national average response rate. This invaluable insight into what our staff feel about working at Aintree will form the basis of a revised approach to staff engagement in 2018/19. The results suggested that, for some of our staff, it has been challenging to work at Aintree and our position in several areas of the survey deteriorated.

We strongly believe that our strategic vision is achievable - by continuing on our journey of **Reshaping our Future** we can overcome the challenges we face in order to be the leading provider of the highest quality health care. However, we can only do this by ensuring our staff feel valued and part of an organisation that actively listens to and acts on their concerns not only through the survey but also through other initiatives such as the Conversations with the Board, Ask the Board and the Staff Friends & Family Test (FFT).



# Achievements in 2017/18



Key areas of activity in 2017/18 which supported the Trust in delivering its objectives are highlighted below:

## Deliver outstanding care

All healthcare organisations strive to deliver high quality and appropriate care to patients. The Trust has ensured that its Quality Priority to deliver care that is safe, clinically effective and which provides a positive experience for patients and their families has not been compromised despite the operational and financial pressures facing the NHS.

Achieving and maintaining consistently high standards across all ward/department areas is challenging and measuring the quality of care delivered by individuals and teams is not an easy task. **Aintree's Assessment and Accreditation (AAA)** framework which is based on the 'Essence of Care' benchmarks, the Care Quality Commission's 'Essential

Standards of Quality and Safety' and other key clinical indicators, helps clinical leaders to understand how they deliver care, identify what works well and where further improvements are needed.

42 ward and department assessments were completed last year with 12 wards achieving Aintree Champions Excellence (ACE) status. ACE is awarded for wards achieving a 'green' rating on three consecutive assessments and following a presentation to a panel of Executive and Non-Executive Directors and Governors, explaining the journey to triple green and detailing plans to ensure they maintain high standards of care.

Working with AAA has also led to team cohesion on the wards, a greater

42 ward and department assessments were completed last year with 12 wards achieving Aintree Champions Excellence (ACE) status.

pride in the team, multi-disciplinary team involvement in achieving ACE status and individualised plans for wards/departments for improving standards. It has also given the wider Trust the opportunity to recognise and celebrate individual and team hard work and achievement. During the year, the Trust established a Quality and Excellence Support Team (QuEST) which includes staff from the Corporate Nursing Team working

with ward staff to identify and deliver a bespoke improvement goal. The team use quality improvements, human factors and organisational tools to define, analyse and make improvements. They will also complete a formal evaluation to gather learning and monitor the improvements.

Despite our best efforts, we do at times make mistakes. In 2017/18 we reported seven never events in the Division of Surgery (Trauma & Orthopaedics, and Ophthalmology) since August 2017, and one never event by the Division of Medicine (Cardiology). Clearly, never events should never happen and the Trust has taken this very seriously as they are highly unusual and concerning. In addition to the internal incident investigations, both internal and external reviews of the safety culture within Theatres have been commissioned. We are also taking part in a national review of investigation practices commissioned jointly by NHS Improvement and the Care Quality Commission. These will report back in 2018/19.

We were delighted to be classed as the best Trust in the country for staff flu vaccinations.

Once again we focussed on **infection prevention and control** through aiming to reduce the number of patients contracting *C.difficile*, MRSA and MSSA. We are, however, finding it increasingly challenging to achieve the IPC standards due to the more complex needs of our patients. In 2017/18 there were 43 patients with *C.difficile* – below the national performance objective of no more than 46 cases – and we had one hospital-attributable MRSA case. We were pleased to have achieved a 30% reduction in the number of patients with MSSA against the Trust objective to reduce the number of cases by 15%.

We were delighted to be classed as the best Trust in the country for staff flu vaccinations. As a result, we were shortlisted for the Most Innovative Flu Fighter Campaign in the 2017/18 Flu Fighter Awards. Our continued improvement on immunisation performance is a credit to our staff as it not only protects them and their families but also our patients and visitors.

The wide range of tasks our volunteers undertake and their desire to give up their time freely is enormously appreciated by our patients, families and staff.

Our **Department of Medicine for the Elderly** has continued to deliver high standards of care for their patients and support to their staff which was reflected in their response to the Staff Survey. The staff exemplify the caring culture of Aintree by arranging a series of events for their patients and families/carers – this year, they held a 'Play Your Cards Right' event in memory of Sir Bruce Forsyth.

The hospital environment is also critical for delivering outstanding care. We recently completed our £35m Urgent Care and Trauma (UCAT) Centre with the new £1m helipad, funded by the HELP Appeal. The helipad will save vital minutes when transferring trauma patients from air ambulance into the hospital. The UCAT Centre, which was formally opened by HRH The Duke of Cambridge in September 2017, was also named Project of the Year at the 2017 Health Estates and Facilities Management Awards.

## Patient and family engagement

Through a variety of mechanisms, we have continued to listen to what our patients and their families have had to say about the services they receive and this will inform our Patient and Family Experience Strategy. It will underpin the work that is planned for 2018/19 as we strive to deliver the best possible experience to all those who access our services.

The Board of Directors listens to a patient, staff or volunteer story at the start of each of their formal board meetings. Hearing their stories helps us understand the experience of being a patient – sometimes they are read out; sometimes the patient shares their own story directly with us.

Whatever way we hear the stories, they can have the power to inspire and humanise us, to compel action and to challenge our assumptions. The stories provide us with insights we would not have by just looking at reports.

Aintree has been using trained **volunteers** to enhance end of life care for patients and their families/carers since 2012. Our volunteers are experienced and very dedicated and provide a highly regarded service with both local and national recognition, particularly for its positive contribution to the patient journey. They undertake an interactive training programme covering the principles of palliative care and symptom control, communication skills, clinical governance, spirituality and resilience. Volunteers who carry out this companionship service sit with patients, organise activities for elderly patients, act as dining companions for patients with dementia and generally show understanding and compassion to the patients and their family/carer. They do not replace the essential medical and nursing care that patients require in their final days and hours of life but supplement the quality and quantity of support for patients and their families. The wide range of tasks our volunteers undertake and their desire to give up their time freely is enormously appreciated by our patients, families and staff. The Volunteer Department also manages one of the largest NHS Trust work experience schemes and works closely with 121 Schools, Colleges and Universities across Merseyside.

The programme was recognised this year when it was awarded silver accreditation by Fairtrain for providing excellent high quality work experience for all ages. The Fairtrain quality mark is very much sought after and puts the Trust alongside blue-chip companies such as British Airways, Bentley Motors and Cisco UK.

## Achieve best patient outcomes

Aintree is a member of the Liverpool Diabetes Partnership which involves other NHS organisations in providing care to those living with diabetes. Its aims are to provide care closer to home and to support patients in learning how to manage their condition; it also delivers training to staff to improve their understanding. The latest survey of diabetic inpatients demonstrated higher than average performance for those receiving care at Aintree. The diabetes care provided by teams at Aintree was rated 'outstanding' following an assessment by the National Clinical Director for Obesity & Diabetes at NHS England.

## Promote research and education

In 2017/18, Aintree, in a clinical academic collaboration with the University of Liverpool, was awarded £1.5m in grants for two multicentre head and neck cancer studies, putting the patient at the centre of head and neck oncology research. Around 1,000 people a year are referred to Aintree with head and neck cancers and, in some areas of Liverpool, the incidence of head and neck cancer is twice the national average. The funding will help with two randomised controlled trials on the prevention of oral cancer and the prevention of complications in head and neck surgery, developed through NW Surgical Trials Centre, part of Cancer Research UK's Liverpool Cancer Trials Unit. One of the trials will also fund a PhD training programme for a surgical trainee.

We continue to raise the awareness of the importance of clinical research trials with our patients, public and staff through supporting events such as International Clinical Trials Day.

We continued with our approach to supporting innovation through our Dragons' Den, where staff can bid for one-off funding of up to £25k to help them put innovative quality improvement work in place without impacting on departmental budgets. Trust Directors are our 'Dragons' and they allocate the £250k annual innovation fund to empower staff to implement changes to improve patient care and staff experience.

The Dragons' Den encourages collaboration within individual projects and departments but also across different staff groups and divisions. Periodic updates and

## Deliver sustainable health care to meet people's needs

We are clear that achieving standards has a positive impact on patient experience and so considerable work was put in place to drive forward improvements, most notably in Emergency & Acute Care. We sought additional support in 2017/18 on the implementation of our Emergency & Acute Care Programme to improve performance and patient flow throughout the organisation. This

Showcase Event keep everyone informed of achievements and help foster a sense of pride amongst staff.

We continue to raise the awareness of the importance of clinical research trials with our patients, public and staff through supporting events such as International Clinical Trials Day.

This year the 'Dragons' approved 14 bids from a wide range of staff from frontline healthcare assistants, nurses, allied health professionals, consultants and senior leaders. Some of the innovations approved for funding were:

- 3D technology for reconstructive surgery to benefit maxillofacial patients
- design for a bespoke gown for critical care patients to allow better access to lines tracheostomies, ensuring better care and comfort for patients
- Folding bed chairs on wards for relatives/carers wishing to stay with patients overnight
- staff exercise classes, such as Yoga and Ai Chi.

During 2017/18, the Trust has further developed its approach to Freedom to Speak Up against the National Office's 10 principles to support its systems and processes, governance arrangements and policies. Specific programmes of work have been initiated within AED and Medicine

greatly facilitated Aintree being cited as the most improved Trust in Cheshire & Merseyside over the winter period. The Trust maintained its investment in the estate infrastructure with a programme of works including the refurbishment of the operating theatres, the completion of the helipad and ward reorganisations as well as the purchase of medical equipment.

The Trust's financial performance was closely monitored in 2017/18 to ensure the financial (deficit) plan was delivered. We remain committed

which have led to significant changes and improvements being made to practices and procedures. The National Freedom to Speak Up Guardian visited Aintree in 2017/18 and was impressed by the progress made by the Trust.

More than 400 people attended Aintree's Apprenticeship Open Day in July 2017 to be offered careers advice for nursing, catering, administration, pharmacy, physiotherapy, occupational therapy, plumbing and joinery. The Trust recognises that learning a new profession will have a positive impact on people's lives and apprenticeships provide the opportunity to study and earn money. Since the Open Day, we have successfully recruited to 30 apprentice roles across the Trust. Additionally, through talent management and succession planning, we have supported 60 existing staff to gain new skills, knowledge and qualifications through apprenticeships to support patient care.

Once again, for the third year running, we hosted a seven week observational placement by 11 **Chinese Doctors** who practice at consultant level in China. This is part of a Chinese Government-funded programme across the North West, in conjunction with Valette's Business School Manchester. An extensive programme of observational clinical experience, meetings and external visits to other NHS Trusts, including Liverpool Heart & Chest NHS FT was organised to provide as diverse an experience as possible. The placement enabled the doctors to return home with both clinical practice insights and an understanding of the delivery of healthcare in the NHS in England.

to managing the Trust's finances efficiently but without having a negative impact on the quality and safety of the care we provide our patients.

We continued to implement our Quality & Efficiency Programme in 2017/18 to deliver efficiency savings whilst improving the quality of services and maintaining performance against operational standards. Reinforced by robust Quality Impact Assessment and Equality Assessment processes, this ensured that quality was not compromised.



## Provide strong system leadership

The Board believes that delivering further efficiency savings cannot be done by Aintree on its own, but will require closer working with our partners across all sectors. A significant amount of work, led by clinicians, to **re-align hospital-based services** across the City of Liverpool and South Sefton under the Healthy Liverpool Programme and Shaping Sefton, has been undertaken and the possible organisational changes needed to make that happen explored. Aintree has been working with the Royal Liverpool & Broadgreen University Hospitals NHS Trust (RLBUHT) with the intention of consolidating our two organisations, as well as working with other providers, to facilitate the development of single, city-wide services delivered through centres of academic, clinical and service excellence to improve the health and well-being of our community.

In January 2018, as a member of the Liverpool Health Partners (LHP), the Board agreed LHP's business plan, in support of its aim to be the lead co-ordinator in linking businesses and the NHS in the region, and to lead the development of strategies at the interface between the NHS and Higher Education Institutions. Following the review of research priorities of the University of Liverpool, the intention was to create a joint research service across the Research & Development departments which would form the cornerstone of future bids for funding.

## Be a well governed and clinically-led organisation

The **Care Quality Commission inspection** undertaken in October 2017 resulted in a disappointing 'Requires Improvement' rating for the Trust. Although the inspection team found much for us to be proud of, there were areas where we have to improve the quality of our services and we are working quickly to do this through the implementation of a robust improvement plan. The areas requiring particular focus included:

- Safeguarding – we have strengthened the team supporting staff in clinical areas which, in turn, helped strengthen our procedures for the care of vulnerable patients
- Governance – we have taken steps to improve those processes which support how we provide care at a consistently good standard
- Medicines management systems – we invested in the ward-based pharmacy team to further improve practice in medicines management across the hospital.

Following the **Well-Led Governance Review** completed in March 2017 by Deloitte LLP, which identified a number of areas of good practice, we implemented an action plan to address those areas where there was further scope for enhancement and development. Progress was reported to the Board throughout 2017/18 and actions are now embedded into business as usual for 2018/19.

We continue to maintain a good relationship with our regulators and despite the performance and financial challenges in 2017/18, they

have accepted our position and our on-going plans to build towards a sustainable future.

Aintree University Hospital NHS Foundation Trust is an identified Category 1 responder under the Civil Contingencies Act (CCA) 2004. This means that the Trust has a duty to prepare for and effectively respond to emergency situations. In September 2017, the Trust was required to complete a self-assessment against the NHS England (NHSE) **Emergency Preparedness Resilience and Response (EPRR) Core Standards**. The Trust achieved full compliance against the standards. In addition the Trust was assessed by representatives of NHSE Cheshire & Merseyside and NHSE EPRR Regional Team who attended the hospital site. Based on the visit the Trust achieved a rating of Outstanding.

In compliance with the consolidation of offences relating to trafficking and slavery within the **Modern Slavery Act 2015**, the Trust works to current NHS Supply Chain (NHSSC) ethos and code of conduct which encompass the Laws and Ethical standards when transacting with or on behalf of the NHS. Any breach of the obligations stipulated in this Supplier Code of Conduct is considered a material breach of contract by the supplier.

Front line NHS staff are well placed to be able to identify and report any concerns they may have about individual patients who present for treatment and modern slavery is part of the safeguarding agenda. A statement of the Trust's actions is available on the Trust website in line with the requirements of the Act.



## Key issues and risks in delivery of Trust objectives

The key issues and risks facing the Trust in the delivery of its objectives have been assessed and steps taken to mitigate these, which included identifying key drivers of change to support the successful delivery of our objectives.

The strategic risks are given below with the mitigation identified:

### We fail to ensure that the care provided for all patients is high quality, safe and compassionate

The Trust's 3 Year Quality Strategy (2014-17) helped us deliver improvements in the quality of our clinical services. This Strategy was refreshed for 2017/18 to ensure the delivery of the three elements of our definition of quality – care that is safe, care that is clinically effective and care that provides a positive experience for patients and their families. Our success in continuing to deliver this strategy has meant that patients and families will always have:

- confidence that we will use feedback from patients and families to improve our services
- access to high-quality, effective clinical services
- care provided in a clean and safe environment
- a guarantee that the Trust Board, senior clinical and managerial leaders, and our governors will make quality their top priority.

Our aim is to create and sustain a culture of continuous improvement and to be a learning organisation in which every member of staff understands their role in delivering this strategy and works towards that aim every day. The delivery of improvements was supported by a number of enabling principles which we outlined within our Strategy and which relate to building capability and creating an optimal environment for improvement. Work has begun on developing our Quality Strategy for 2018-2020.

### We fail to provide effective treatment that achieves best possible outcomes

In 2017/18, the Trust experienced eight never events – in Trauma & Orthopaedics, Ophthalmology and Cardiology – for wrong site surgery, incorrect implant and wrong site injection. In mitigation, the Trust has commissioned both internal and external reviews of the safety culture in theatres starting in Q4 2017/18 and carrying on into 2018/19. All incidents have been managed in accordance with agreed governance pathways with learning points shared in the monthly Divisional Assurance Group meetings. The use of the World Health Organisation (WHO) Surgical Safety Checklist continues to be revised and refined as we learn from events in Theatres; we have also raised awareness of the risk and reinforced the leadership within Theatres.

### We fail to deliver the benefits of education, research and innovation for our patients and staff

The Trust continued to take a multi-disciplinary approach to education and learning with a focus on improving capability and competence across all staff groups. During 2017/18, we also reviewed and enhanced the provision of our leadership and management programmes. Aintree continues to work with the Collaboration for Leadership and Applied Health Research on a variety of research projects with the aim of delivering health, well-being and quality of care across the region. In addition, we enhanced our Aintree Quality Improvement System (AQIS) to include some joint working with the Royal Liverpool & Broadgreen Hospitals NHS Trust to deliver a shared Quality Improvement Basic Training course.

## Going concern disclosure

**Despite the projected deficit for 2018/19, the Board of Directors does not have any evidence indicating that the going concern basis of preparing the accounts of the Trust, as detailed below, is not appropriate as the Trust has not been informed by NHS Improvement (NHSI)/Monitor that there is any prospect of intervention or dissolution within the next 12 months.**

The directors approved the 2018/19 Annual Plan submission to NHSI/Monitor. This plan shows an Income and Expenditure deficit in 2018/19 amounting to £29.1 million which is above the control total set by NHSI. The plan does not include any transitional support income. Achieving this plan will require interim revenue cash loans totalling £22.5 million. The plan contains efficiency targets, including cost improvement plans, amounting to £6.6 million (of which not all has been planned in detail). Having regard to the significant efficiencies achieved over the recent past, this level of cost reduction is considered

**The preparation of the income and expenditure budgets and cash flow statements is predicated on many national and local factors and assumptions regarding both income and expenditure and profiled accordingly.**

to be challenging. If these levels of efficiencies are not achieved, the Trust would need to apply to the Department of Health or other appropriate regulatory body for additional funding. The plan also includes essential capital expenditure of £18.3 million of which £15.2m will need to be funded by the Department of Health.

The directors believe that this forward plan provides a realistic assessment of the Trust's position. Income and expenditure budgets have been set on the basis of robust

and agreed principles, which mean that the Trust should be able to provide high quality healthcare within the resources available, provided the cost saving targets are achieved.

The Trust has a robust governance structure which includes a Finance & Performance Committee, a sub-Committee of the Board, which has the responsibility to monitor financial performance and oversee the necessary corrective action on behalf of and in conjunction with the Board. The Trust recognises there is an urgent need to develop a wider detailed programme for the delivery of the continued cost savings and to derive benefits from local and City Region health economy-wide transformational change.

The preparation of the income and expenditure budgets and cash flow statements is predicated on many national and local factors and assumptions regarding both income and expenditure and profiled accordingly.

The anticipated level of activity undertaken for its commissioners, and therefore the level of income, is derived after due consideration of a range of factors, including:

- 2017/18 forecast outturn
- Changes in activity resulting from changes in demographic and demand
- National Payment by Results rules and regulations
- Commissioning intentions
- National tariff prices.

The day to day operations of the Trust are funded from contracts with NHS commissioners. The uncertainty in the current economic climate has been mitigated by agreeing a number of contracts with Clinical Commissioning Groups, Local Authorities and NHS England for a further year and these payments provide a reliable stream of funding minimising the Trust's exposure to liquidity and financing problems.

The anticipated level of expenditure within the approved plan is derived

after due consideration of a range of factors, including:

- Pay awards and incremental increases
- National Insurance and pension contribution changes
- Inflationary increases for insurance premiums, drugs, utilities and general non-pay
- Financial consequences of both capital and revenue developments
- Cost savings requirements
- Impact of activity levels and commissioning intentions.

Cash flow projections take into account the planned deficit, capital expenditure, repayment of Public Dividend Capital, the drawdown of revenue / capital funds and movements in working balances. There is no certainty that further cost savings will be identified from organisational and service reconfiguration or that additional short-term funding will be obtained when required and this indicates the existence of a material uncertainty that may cast doubt about the Trust's ability to continue as a going concern. However, notwithstanding the deficits referred to above, the Trust does not have any evidence indicating that the going concern basis is not appropriate or that there is any prospect of intervention or dissolution within 12 months from the date of approval of these financial statements. In terms of the sustainable provision of services, there has been no indication from the Department of Health that the Trust will not continue to be a going concern. The directors have accordingly prepared the financial statements on a going concern basis.

**Steve Warburton**  
Chief Executive  
23 May 2018

# Performance Analysis

This section provides a detailed performance summary of how Aintree University Hospital NHS Foundation Trust measures its performance with more detailed integrated performance analysis and long-term trend analysis, where appropriate.

Overall, the Trust's performance was acceptable, despite significant operational pressures and financial challenges.

## Operational Performance

### Waiting times

In 2017/18, the Trust:

- over the whole year, treated admitted or discharged 83% of patients within 4 hours. This was below the national Accident and Emergency standard of 95.0%
- narrowly missed the 18-week referral to treatment target (RTT) for incomplete pathways
- narrowly missed the target that no more than 1.0% of patients should wait more than 6 weeks for a diagnostic test, reporting an average of 1.5% for the year.

### Cancer Targets

Over the whole year, the Trust has met four of the eight cancer targets applicable in 2017/18.

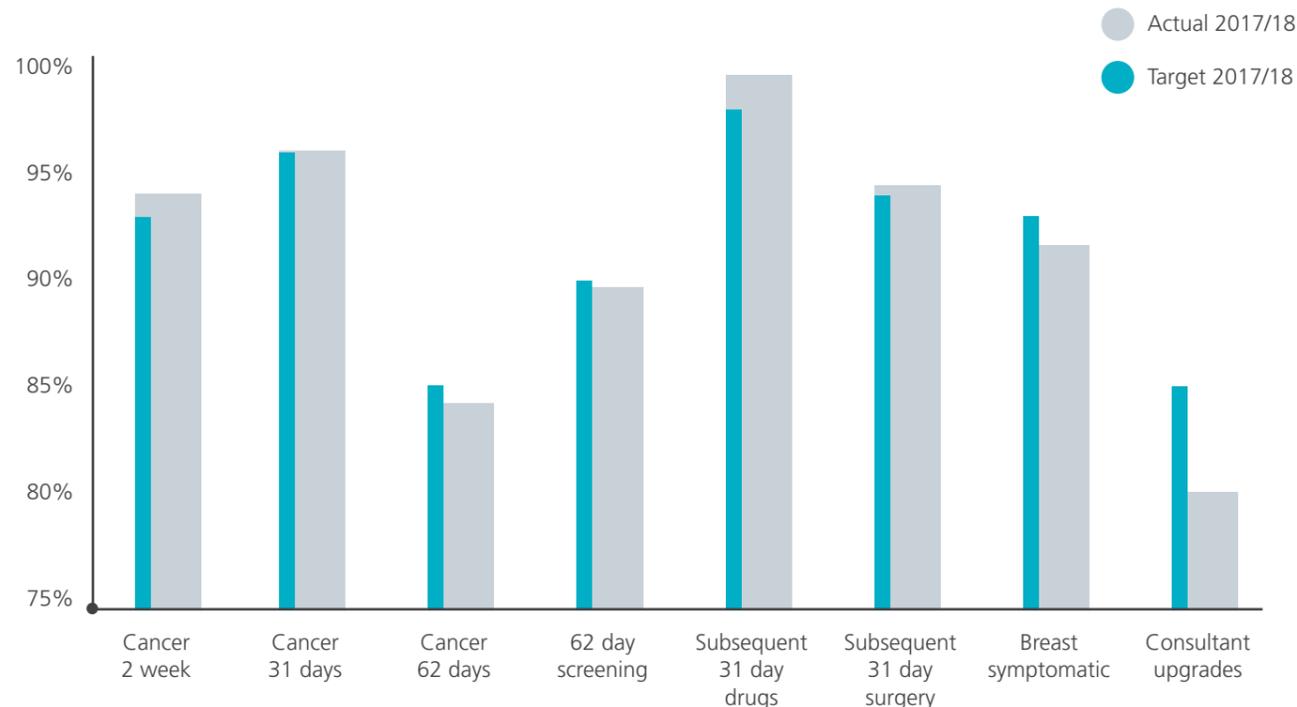


Chart 1: Cancer Targets 2017/18

### Inpatients and Day Cases



Total admissions increased by 5.4% during 2017/18 (2016/17: 2.7%) to 93,215. Of these, 46,673 were admitted for an elective procedure (2016/17: 49,068), of which 86% were treated as day cases.

Non-elective episodes of care increased to 46,542 (2016/17: 39,388).

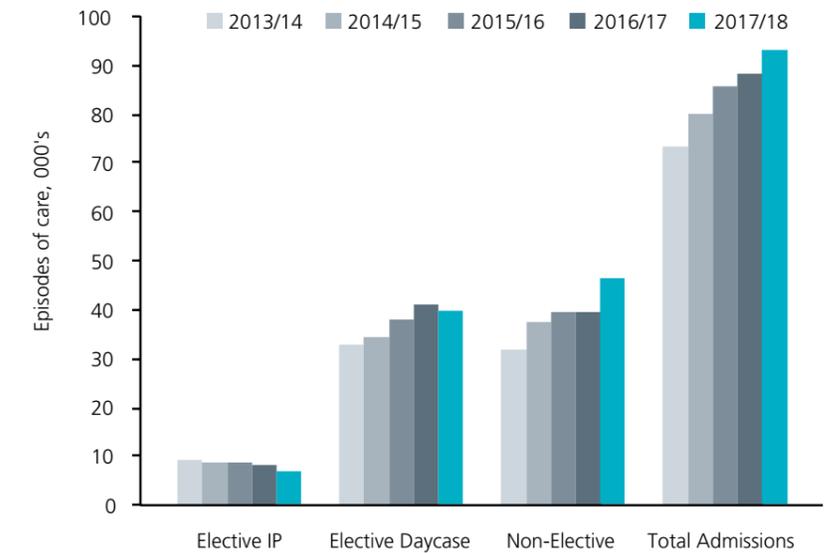
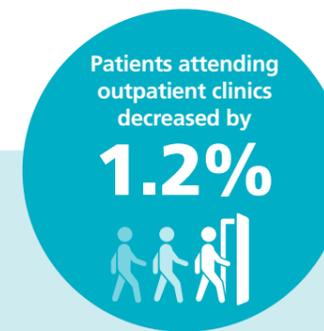


Chart 2: Inpatients and Day Cases 2013/14 – 2017/18

### Outpatients



The total number of patients attending outpatient clinics decreased by 1.2% during 2017/18 to 421,501 in total (2016/17: 426,686).

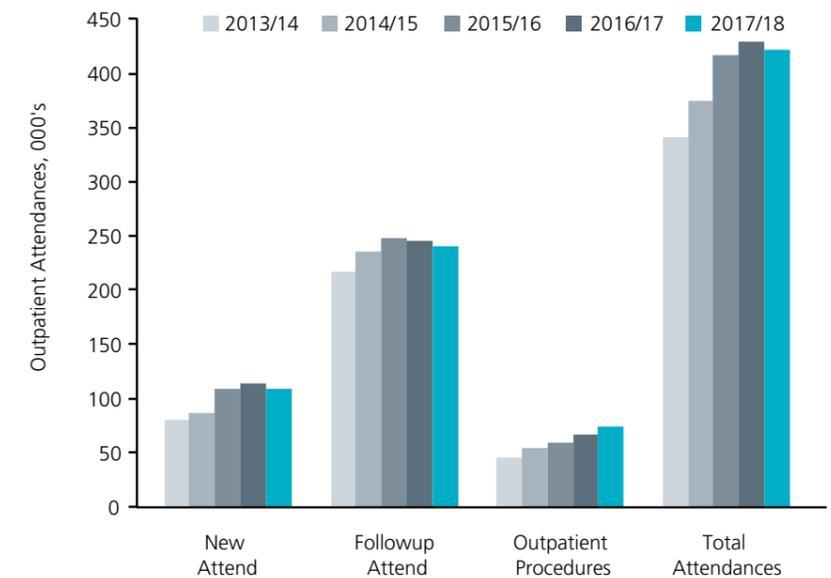


Chart 3: Comparison of Outpatients' Data 2013/14 – 2017/18

## Emergency Services

167,791 patients seeking urgent care were seen in 2017/18, a 2.7% increase on last year. Of these, just under half were Type 3 attendances delivered at Kirkby Walk-in-Centre and at Litherland Walk-in-Centre. Type 1 urgent care attendances at Aintree increased significantly by 5.3% to 87,612.

The Trust was unable to meet the 4 hour access standard throughout the year, although performance improved over the last quarter compared to the same period last year, despite the increased pressures of winter.

Delivery of the standard was affected by several factors including increased demand, lack of embedded processes across the Trust and an increase in the number of 'medically optimised' (i.e. ready for discharge) patients occupying acute beds. This position was reflected across the health economy and nationally.

During the year, the Trust continued to roll out its comprehensive and robust Emergency and Acute Care Plan, covering Accident & Emergency, assessment areas and ward areas. Embedding the plan across all areas is the key focus internally for 2018/19, whilst externally the Local Health Economy Accident & Emergency Delivery Board continues to look at system-wide solutions to deliver the standard on a consistent basis. The Trust is an active member of this body.

This plan enabled the Trust to maintain a stable performance over winter, with a year on year improvement of 7.9% over the winter period.

Nationally, all NHS providers have been set a target to deliver the 95% standard by March 2019. The Trust expects to meet this requirement.

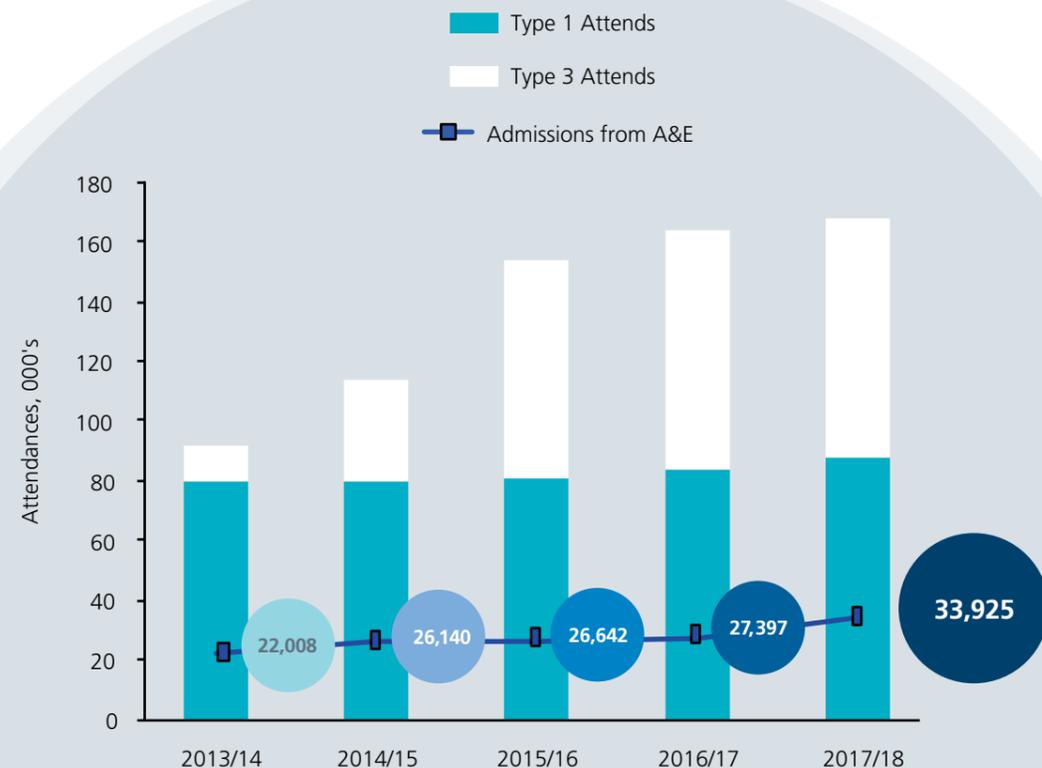
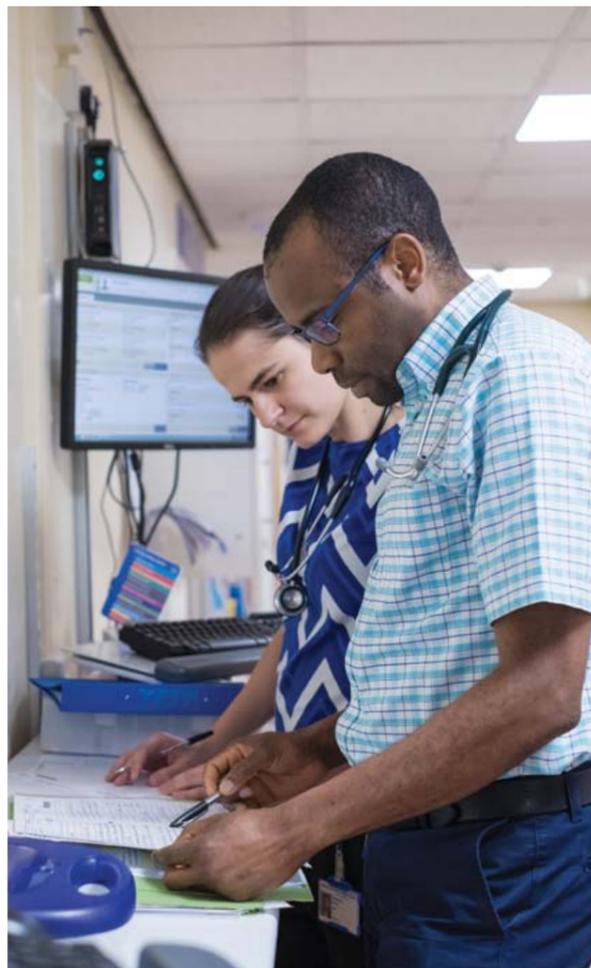


Chart 4: Emergency Attendances and Admissions 2013/14 – 2017/18

## Efficiency / Productivity

The Trust manages its efficiency and productivity through monitoring a number of indicators which both improve the patient experience and reduce our costs:

- **Average Length of Stay (ALOS)** – is the time on average that each patient admitted to the hospital would stay in the hospital. It is variable as some patients stay in hospital much shorter times and others longer. Using Dr Foster data (Dr Foster is an independent healthcare data provider), the ALOS at Aintree was 0.94 days more than would be expected for the acuity of patients admitted to the hospital at 7.40 days. This is a marginal deterioration on last year when the ALOS was 0.85 days above expected levels at 7.45 days. The increase in ALOS coincides with an increase in the number of patients who have finished their acute stay and are ready for discharge. The Trust is working closely with community and primary care partners within the health system and with local authorities to reduce delays in discharging patients from hospital.

Improving productivity within theatres is a major strand of the 2018/19 efficiency work stream and the Trust has established a working group to identify a clear plan of actions that will improve performance to the target rate of 85.5%.

- **Theatre Utilisation** – in order to treat as many patients as possible who need surgery, the Trust is keen to make the best use of our operating theatres.

Elective theatre efficiency at our main theatres (AUH) and within the Elective Care Centre (ECC) remains sub-optimal and showed little improvement year on year. Improving productivity within theatres is a major strand of the 2018/19 efficiency work stream and the Trust has established a working group to identify a clear plan of actions that will improve performance to the target rate of 85.5%.

- **Delayed Transfer of Care (DTOC)** – the number of beds affected by reportable delayed discharges in 2017/18 was 3.72% (equivalent to 28 beds), a decrease on that reported in 2017/18 when 3.94% of beds were affected.

In addition to reportable DTOCs, the Trust consistently has around a further 100 patients on a daily basis who are ready for discharge, but are awaiting packages of care or placement.

- **Day Case Rate** – the Trust's day case rate at the end of the year, as reported by Dr Foster Intelligence, was 1.1% better than expected at 84.7%. The proportion of procedures delivered as daycase also increased by 0.9% from 83.8%.

- **Cancellations** – during the year, 256 operations were cancelled for non-clinical reasons, representing 0.60% of all operations scheduled, a deterioration on 2016/17 when 183 operations were cancelled, 0.41% of all operations. Disappointingly, three patients were not readmitted within 28 days following cancellation. This compares to five patients during 2016/17. Hospital outpatient cancellations for non-clinical reasons decreased to 5.58% from 6.0%.

## Clinical Effectiveness

- **Mortality** – mortality rates are a key quality indicator for the hospital and the Trust compares its mortality with the Dr Foster and national benchmarked data.

- **Hospital Standardised Mortality Rate (HSMR)** – this shows that the mortality rate for the hospital is better than expected with an index rating of 91.2, against a norm of 100 (lower score being better than expected), and better than last year's rating of 94.22.

- **Summary Hospital Mortality Indicator (SHMI)** – the latest report shows a SHMI of 102.85 lower than the norm, but within expected control limits. The rate is improved on the same period last year of 107.26. The Trust will continue, through the Avoidable Mortality Reduction Group, to review mortality rates across a broad spectrum and identify and address any underlying causes for outlying data, with appropriate actions put in place where necessary.

- **Crude Mortality** – the trend in crude mortality, the number of deaths in the hospital as a % of discharges, at 3.56% for the year was higher than the average rate for 2016/17 of 3.34%.

- **Readmission** – the readmission rate is the percentage of patients who were readmitted to hospital as an emergency within 28 days of discharge. Using Dr Foster data to compare the Trust's performance against national expectations, this shows that the rate of readmissions reported of 9.65% was 0.25% higher than Dr Foster rates. This compares to a gap of 0.48% in 2016/17.

- **Hospital Acquired Infections and Hospital Cleanliness** – improving hospital cleanliness and reducing hospital acquired infections remains a top priority for the Trust.

For 2017/18, the target of no more than 46 cases of *C.Difficile* was achieved with 43 cases reported that were attributable to the Trust.

One case of MRSA was reported during the year which matches that reported in 2016/17, but above the standard to have no hospital acquired MRSA infections in any year. The Trust remains committed to eradicating MRSA infections from the Trust, a position overseen by the Quality Committee.



# Financial Performance

The current year has seen continued strain on urgent care services. Attendances at Aintree were up by 5.3% which, coupled with the lack of capacity in out-of-hospital services/facilities, presented challenges in achieving patient flow through the hospital. On a daily basis, around 120 medically optimised patients, who are ready for discharge (RFD), occupied acute beds.

As well as the increase in overall numbers attending Aintree University Hospital NHS FT (AUHFT), the Trust has also witnessed a steady increase in the acuity and dependency of patients, which has not only led to increases in the number of patients requiring admission, but also a need to increase staffing levels to ensure that patients remain safe whilst under our care.

All these factors have put pressure on the financial position of the Trust.

The Trust was set a control total of £6.8m, which included receipt of Service and Transformation Funding (STF) of £8.5m, giving an underlying planned deficit of -£15.3m.

STF was received on delivery of the underlying planned deficit, but not for achieving the access standards for A&E.

Our plan included the delivery of a stretching Quality, Efficiency and Productivity (QEP) programme of £13.6m. Despite significant in-year service pressures, the Trust delivered its plan, with a reported deficit of -£3.5m, before exceptional items, which included STF of £10.6m (inclusive of a bonus of £4.4m for delivering the financial plan).

Given the financial deficit, the Trust reported a Use of Resources Rating of 4.

## Income and Expenditure

Total income for 2017/18 was £351.0m (2016/17: £343.3m) and was generated in the following areas:

Operational expenditure budgets totalled £349.5m, with a further £5.0m incurred to service loan interest and Public Dividend Capital (PDC) Dividend.

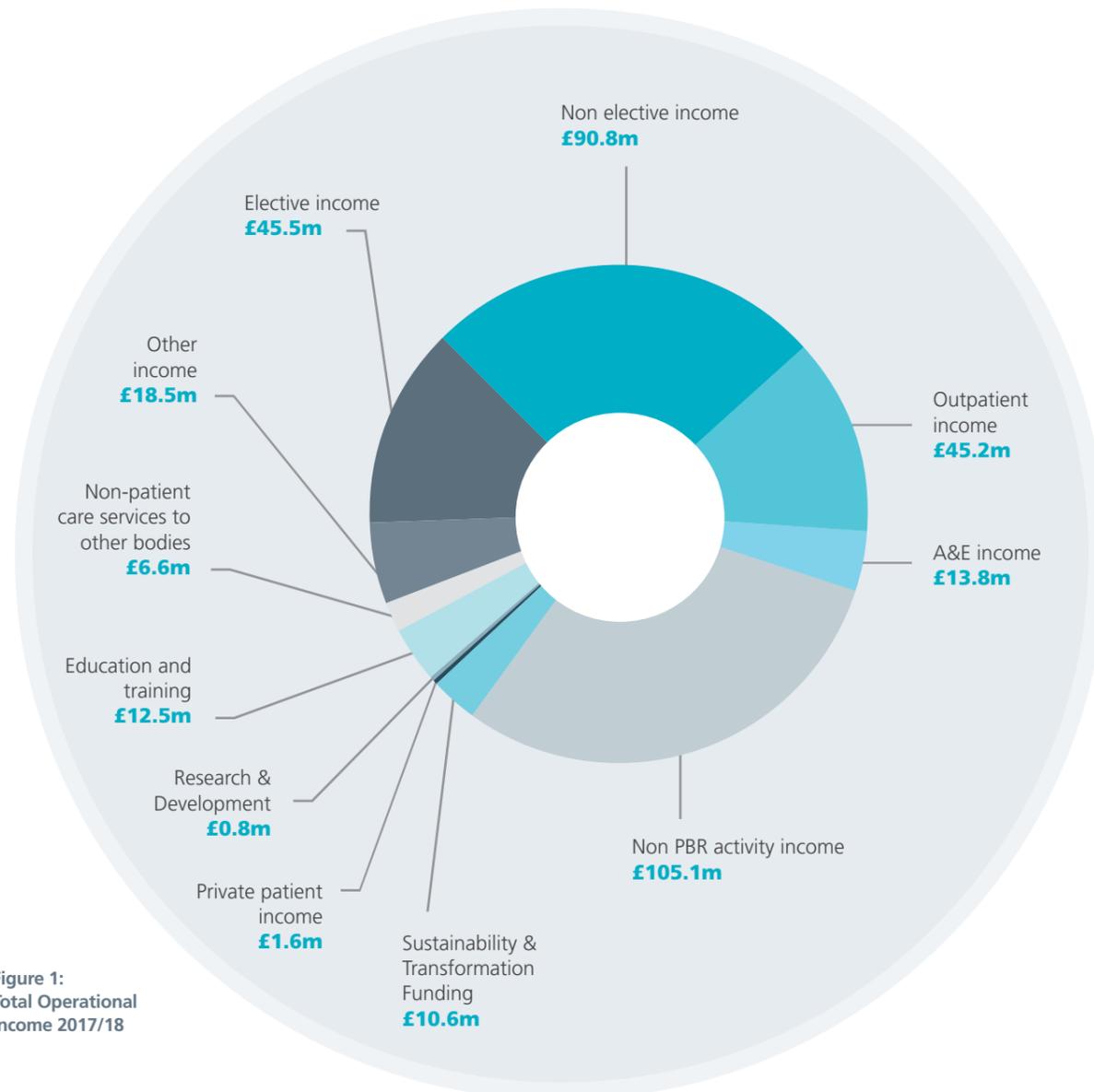


Figure 1: Total Operational Income 2017/18

The Trust incurred an exceptional charge of £23.4m during 2017/18 in relation to its statutory requirement to undertake an independent valuation of its estate every 5 years.

## Financial Risk

Aintree continues to deliver strong financial performance in the context of the current operational services pressures it and the wider NHS faces. However, the cost of delivering our services is no longer matched by the income we receive, a position the Trust recognised a number of years ago.

Demand, particularly for urgent care services, continues to grow and we responded to this rise by increasing capacity levels, alongside delivering productivity improvements and redesign of patient pathways.

NHS efficiency targets continue to be set at 2%, with productivity gains averaging around 1.3% to 1.8% per annum. Further savings are becoming increasingly difficult to deliver and, whilst Aintree will continue to drive out inefficiencies as appropriate, we believe it is only through proactive action on prevention, investment in new care models, sustaining social care services and, over time, seeing a bigger share of the efficiency coming from wider system improvements, that a step change in the financial position will be achieved.

*Demand, particularly for urgent care services, continues to grow and we responded to this rise by increasing capacity levels, alongside delivering productivity improvements and redesign of patient pathways.*

Increasingly, we are looking at how the demand for services and the growing expectation of the public can be met by delivering services in different ways and with broader organisational collaboration. Without significant transformation schemes, the pressure on hospital-based services will continue to grow and the affordability of the local health and social care system will remain challenged.

Our vision for 2018/19 remains to be a leading provider of the highest quality health care, providing the right care for every patient every time. The safety of our patients remains the cornerstone of our ethos.

Nationally, the financial position for the provider sector continues to be challenged. In 2016/17 the 'Provider' sector reported a deficit of £2.6bn excluding STF, the position for 2017/18 is likely to show a deterioration on this based on 2017/18 Q3 reported data.

It is within this context that the Trust is working. Its future financial viability needs to be considered, not in isolation, but as an element of a wider set of strategies in support of the Trust's overall aims and the key deliverables set by NHS England.

## Disclosure to Auditors

As far as the Directors are aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all of the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Compliance with Income Sources Restriction

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

Other income received by the Trust in 2017/18 has had no adverse impact on the delivery of our services. The Trust is, therefore, compliant with Section 43(3A) of the NHS Act 2006.

## Capital Investment

During 2017/18 the Trust invested £11.6 million in a range of estate infrastructure, equipment and information technology assets.

The capital programme was financed by a combination of the Trust's own internally generated resources, supplemented by approved loans organised with the Department of Health.

	£m
Theatre upgrade programme	1.7
Ward upgrades and other environmental changes	3.1
Information Technology and other equipment	2.0
Medical Equipment	3.2
Helipad	1.0
Other	0.6
<b>Total</b>	<b>11.6</b>

Table 1: Capital Investment 2017/18

## Working Capital Facility and Liquidity

The Trust has maintained stable levels of working capital during the financial year and achieved the cash levels required to support the annual plan.

Proactive Treasury Management and the Foundation Trust's ability to invest excess cash on the financial markets (within the scope of an approved investment policy) generated £55k in interest which was reinvested in patient care.

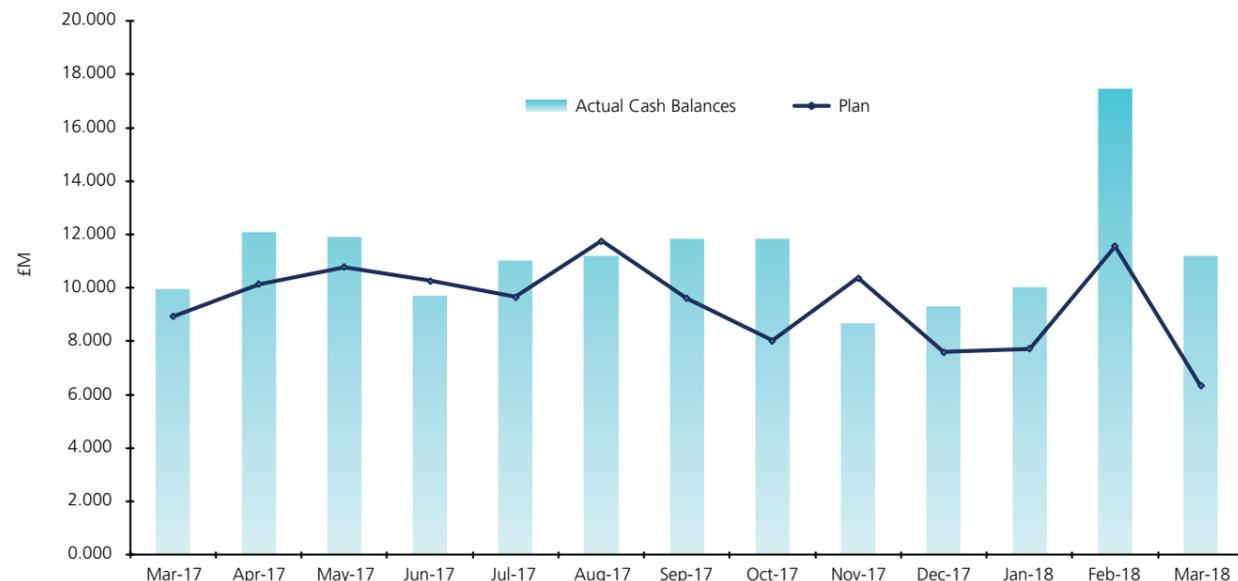


Chart 5: Cash Actual versus Plan 2017/18

## Events after the Reporting Period

There were no material events between the report period and submission of the final 2017/18 accounts.

## Joint Ventures and Subsidiary Companies

In July 2007, the Trust established a wholly owned subsidiary company called Aintree Healthcare Limited. The purpose of this company is to provide community healthcare projects. As at 31 March 2018, the company had not commenced trading.

## Accounting Policies

The Trust's significant accounting policies are set out in Note 1 in the Notes to the Accounts on page 161 of the full accounts included in this report. Whilst there were only minor changes made to the essence of the accounting policies, the governing document that they are derived from has changed from the Foundation Trust Annual Reporting Manual (FT ARM) to the Department of Health Group Accounting Manual (DH GAM).

Accounting policies for pensions and other retirement benefits are set out in a note to the accounts (Note 1.5) and details of senior employees' remuneration can be found on page 62 of the Remuneration Report.

## Compliance with HM Treasury Policy

Aintree University Hospital NHS Foundation Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance.

## Better Payment Practice Code

The Trust endeavours to pay its suppliers on a timely basis and in accordance with the Better Payment Practice Code. In 2017/18, the Trust paid 77.1% of its non-NHS supplier invoices within 30 days of the receipt of a valid invoice.

## Investing in Estate Infrastructure

### Current & Future Developments

During 2017/18 several significant projects have been completed which have delivered a wide range of benefits:

- Completion of Phase 2a of the extension and **upgrade of our Emergency Department** as part of the Urgent Care & Trauma Centre (UCAT) development to create a bespoke Frailty Assessment Unit
- Completion of a new **modern Critical Care Unit** as Phase 3 of our flagship UCAT development
- Delivery of a **helicopter landing pad** as part of our Major Trauma single receiving site status
- Adaptation of Emergency Department assessment area for delivery of primary care streaming model
- **Refurbishment and reconfiguration of five operating theatres** as part of a long term strategy to upgrade the oldest of the operating theatre complexes improving the environment for staff and patients
- Refurbishment to our **Main A operating theatre** recovery to provide upgraded fit for purpose facilities
- Reconfiguration and refurbishment of **inpatient surgical ward** and assessment unit to allow for delivery of changes to models of care
- Completion of the refurbishment and re-equipping of our on-site Laundry with modern energy efficient and reliable equipment
- Wide scale installation of LED lighting has been carried out across the hospital from 2015 through to 2017/18.

The Trust will continue to invest in the future of local health care provision to care for the community it serves through further developments during 2018/19 which will see further changes to the Aintree campus, namely:

- Replacement of several patient lifts within the main ward blocks



- Further **refurbishment of six wards** within the Tower Block as part of the plans for a single Orthopaedic service with Royal Liverpool and Broadgreen Hospitals and as part of long term ward investment programme
- Reconfiguration of on-site car parking management system to ensure fair and efficient charging systems are in place
- Extension and replacement of the hospital pneumatic tube system used for the delivery of specimens
- Conclusion of investment in our energy infrastructure scheme to ensure the site can continue to meet the growing demands of a modern acute hospital and significantly reduce our carbon footprint
- Implementation of a new state of the art **Electronic Patient Record System** as the first stage in creating a single digital healthcare record across three of the City's main hospital campuses. Alongside the iLinks programme, it will allow sharing of information across primary, secondary and tertiary care, enabling the transformation of clinical practice to deliver better and integrated patient care pathways between health organisations, improving all levels of care across the City.





## Corporate & Social Responsibility

### Community Engagement

The Trust aims to strengthen its engagement with its local community through consultation on and participation in key projects. In 2017/18, we worked with our Council of Governors to strengthen their role in this engagement which included promoting membership at different locations within the hospital to engage members and the general public. We also supported Governors in developing their relationship with members of the Get Involved with Aintree Group who had expressed an interest in being involved in activities within the hospital.

Healthwatch representatives from Sefton, Liverpool and Knowsley attend the Trust's Patient Experience Executive Led Group which strengthens patient insight into our programme of work.

We frequently engage with our community through our Artwork projects. The Trust's Promoting Art in Aintree (PARTIA) has a fully integrated arts programme which aims to improve the patient experience, enhance the hospital environment and provides social engagement both within the hospital and in the local community. PARTIA has raised the profile of Arts in Health with an increased emphasis on performing arts being delivered on wards by volunteers and students from local education establishments as well as arranging Art Exhibitions.

The Trust continued to engage with local Overview and Scrutiny Committees (OSC), attending meetings and circulating briefings of relevant Aintree news to the committee members. This included supporting engagement work with the OSCs by the team leading the public consultation on creating a single orthopaedic service for Liverpool.

The Liverpool Clinical Commissioning Group led on a public consultation in relation to the proposed changes to hospital-based orthopaedic services across the City. The proposals included bringing the specialist teams from

Aintree and the Royal Liverpool and Broadgreen Hospitals into one single team to allow the service to be managed more effectively as well as providing better patient experience. The orthopaedics proposal is part of a wider Healthy Liverpool vision for transforming hospital services in the City.

Aintree's staff support a large number of awareness campaigns each year. These offer both health advice to the public, while also helping staff celebrate their service achievements. Information stands in the hospital, staffed by frontline clinical teams, are complemented with social media activity using Aintree's corporate communications systems, along with local media coverage. Several national fundraising campaigns are also supported by staff, patients and visitors.

Among the awareness campaigns supported in 2017/18 were:

- April Falls Day
- Deaf Awareness Week
- Dementia Drop-in Sessions for Carers
- International Clinical Trials Day
- Reserve Forces Day
- Girl Guiding Merseyside
- Organ Donation Week
- FAB NHS Change Week
- Workout at Work Day
- Wellness on Wheels (smoking cessation)
- World Kidney Day
- Therapies Open Event
- Nutrition & Hydration Week.

### Sustainability and environmental performance

Aintree continues to contribute to improving the sustainability of the wider City region and the reduction in health inequalities. Over recent years, the Board of Directors has approved a Sustainability Strategy, Travel Plan, Carbon Reduction Plan and Capital Investment Plan to provide a framework to support its objectives in this area.

2018/19 will see the Trust carrying out a comprehensive review of its existing Sustainability Strategy and associated

action plan to support the delivery of its strategies and to improve its sustainability performance; this plan is undergoing development against the Trust's priorities.

The Strategy will ensure that, by understanding and exercising its corporate social responsibility, the Trust can be confident that its actions will benefit rather than harm the environment in which we operate and this will be developed in parallel with our Social Values Strategy.

The Board of Directors is supportive of this agenda and will be engaged in ongoing review and implementation of the strategy, receiving updates on progress.

Waste minimisation & Management	Waste produced by the Trust		Expenditure	
	2016/17*	2017/18	2016/17*	2017/18
	1,751 tonnes	1,753 tonnes	£322,631	£312,853

Methods of Disposal: High temperature incineration, heat treatment, WEEE and landfill.

#### Finite Resources: The Trust's total utilities usage and costs 2016/17 and 2017/18

Utility	Units	Usages		Costs	
		2016/17*	2017/18	2016/17*	2017/18
Water	M <sup>3</sup>	212,343	216,326	£543,662	£482,319
Electricity	GJ	37,039	43,000	£1,093,919	£1,348,856
Gas	GJ	194,302	173,983	£1,445,823	£1,231,565
Oil	GJ	4,800	3,655	£51,215	£61,760
<b>Total Energy (excluding water)</b>		<b>236,141</b>	<b>220,638</b>	<b>£2,590,957</b>	<b>£2,642,181</b>

\* All figures for 2016/17 have been corrected for non-trust consumption

Table 2: Carbon emissions: summary performance - 2016/17 & 2017/18

The Trust has experienced significant operational pressure across the estate during 2017/18. Against this ongoing pressure, the Trust has a number of initiatives to reduce both consumption and tariffs. Most notably, the delivery of the Carbon Energy Fund (CEF) project due to be completed in 2018 will deliver significant energy savings and reductions in carbon emissions.

Our total finite energy consumption has been steady with a slight reduction; however, costs have risen due to the underlying increase in imported electricity.

Imported electricity consumption and expenditure have significantly increased again in 2017/18. This is due to the non-availability of combined heat and power plant during the extensive modernisation project. Gas demand has reduced; however, there is a detrimental financial consequence seen overall. This situation will not be fully resolved until the end of the energy infrastructure investment project later in 2018/19.

Waste volumes remain stable this year; the cost of disposal has reduced slightly following improved agreements with our waste disposal providers. An 'at source recycling' initiative was introduced in 2016/17 and this initiative will be extended in 2018/19 to improve recycling levels, reduce the Trust's overall carbon footprint and improve engagement with staff.

Water usage has reduced by 10% over the last two years, reversing the trend of the previous three years which saw a 30% rise in water consumption. This continues to be an area of concern and further reduction initiatives will be considered in the coming year.

Use of fuel oil has remained high in order to facilitate the clearing and subsequent upgrade of existing oil storage facilities and commissioning of several newly completed high care areas.



To further reduce our carbon footprint, we are collaborating with partners:

- **Energy reduction** – engagement with the CEF as part of the Liverpool Energy Collaborative with The Walton Centre and Liverpool Women's NHS Foundation Trusts to deliver significant investment in energy infrastructure renewal. This project will deliver savings of £860k per annum and reduce our carbon footprint by 2,800 tonnes of CO2
- **Procurement** – working with our STP partners, we have negotiated a new model of energy procurement
- **Sustainability** – we have commenced participation in the Liverpool City Region Green Energy project and anticipate wide ranging opportunities as a result
- **Travel and transport** – the Trust is working closely with Mersey Travel, refreshing and updating the Travel Plan delivery and exploring new and ongoing initiatives such as cycle to work, car share and promoting electric vehicles.

## Procurement

The Procurement and Supplies Department is a key enabler in the delivery of the Trust's strategic vision to be a leading provider of the highest quality health care. The Department supports the delivery of Aintree's Quality Strategy and the Trust's strategic objectives by:

- sourcing and delivering the right products and services at the right time to the right place to meet our customers' needs through efficient procurement practices, innovation and market knowledge
- creating a positive customer experience
- ensuring that purchasing is undertaken in an environmentally sustainable manner
- achieving efficiency through continuous improvement of supply chain management.

Key achievements in 2017/18 were:

- Delivery of over £1m savings
- Successful leadership of collaborative procurement across the region which saw all Trusts involved collectively deliver £1.5m savings

- Ongoing commitment for joint leadership of strategic procurement at Liverpool Women's Hospital and Liverpool Clinical Laboratories, demonstrating our commitment to collaborative procurement.

Our achievements were recognised at the North West Excellence in Supply Awards 2017 where we were finalists with two Supplier Engagement nominations.

Procurement in the NHS is under significant pressure to realise future savings and it is recognised that it is no longer viable to be working in silos. The Trust is, therefore, committed to working with the Department of Health and Social Care and NHS Improvement to deliver the Future Operating Model.

## Equality, Diversity and Inclusion

The Trust serves a diverse community and is committed to eliminating discrimination; promoting equality of opportunity and providing an environment which is inclusive for patients, carers, visitors and staff.

We aim to provide equality of access to services and to deliver healthcare that is sensitive to the needs of the individual and communities. These commitments are set out in the Trust's Equality and Diversity Policy and underpinned by the Trust's Equality Objectives for 2014-2018 to:

- increase the Trust's capacity to identify discrimination, harassment and victimisation by developing its workforce and patient data systems to cover all groups that sit within the nine protected characteristics
- improve, year on year, the reported patient experience of groups with protected characteristics where evidence demonstrates that this is below average for all patients
- provide information in a variety of ways for patients whose first language is not English, for those who are hard of hearing and or partially sighted or blind in order to improve their experience
- reduce health inequalities for groups with protected characteristics by improving access to key services.

**In the last 12 months, the Trust has continued to work on integrating and embedding equality, diversity and inclusion into all areas of Trust business.**

The Trust recognises that to attract, develop and retain high calibre staff, the diversity of the workforce must be respected and valued. Recruitment in all cases is objective and based on merit and the individual's ability to perform the job at the required standard. Appropriate procedures are in place and the Trust is in the process of reviewing its Recruitment and Selection Policy to ensure that unfair discrimination does not occur. The Trust has an Equality, Diversity and Human Rights Statement in all its policies which states that the Trust adheres to legal and performance requirements and will mainstream Equality, Diversity and Human Rights principles through its policies, procedures, service development and engagement processes. We are also working collaboratively with other local Trusts and Commissioners to ensure that we are addressing the needs of service users with protected characteristics, including disability, as defined by the Equality Act 2010.

In the last 12 months, the Trust has continued to work on integrating and embedding equality, diversity and inclusion into all areas of Trust business.

The newly established Equality and Diversity Group reports to the Hospital Management Board and ensures the Trust is compliant with legislative and regulatory requirements relating to equality and diversity. This includes the completion and submission of the 2017 Workforce Race Equality Standard (WRES) and accompanying action plan, publication of Workforce and Patient Equality Monitoring data on the Trust's website and continued implementation of the Accessible Information Standard (AIS).

The NHS Equality Delivery System (EDS2) is a national toolkit to help NHS organisations improve the services they provide for their local communities, consider health inequalities in their locality and provide better working environments

for those who work in the NHS. The Trust uses EDS2 to review its equality performance and ensure it is fully compliant with the Equality Act 2010 and Public Sector Equality Duty. During the course of 2018/19, the Trust is undertaking a collaborative approach to EDS2 working alongside local Trusts and South Sefton Clinical Commissioning Group. The collaborative approach will ensure services are efficient and effective in meeting the needs of our local population and in improving access and health outcomes across the local health economy. Our equality objectives originally approved for 2014-18 will be updated during 2018/19 and will

**Our achievements were recognised at the North West Excellence in Supply Awards 2017 where we were finalists with two Supplier Engagement nominations.**

be based on results from EDS2, the Workforce Race Equality Standard, equality monitoring reports and from engagement with our stakeholders including patients, staff and staff side representatives.

In 2017/18, we also enhanced our intranet and external-facing Equality and Diversity webpages and revised the Equality Impact Assessment toolkit. Our workplan for 2018/19 is to take forward a number of initiatives that will continue to embed equality, diversity and inclusion within the Trust.

**Steve Warburton**  
Chief Executive  
23 May 2018

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# 2

A photograph of three healthcare professionals in a clinical setting, overlaid with a purple tint. On the left, a man with glasses and a stethoscope around his neck is looking at a document. In the center, a woman with a stethoscope and a patterned top is also looking at the document. On the right, a woman with glasses and a dark top is holding the document and looking towards the other two. The background shows a clinical environment with a computer monitor and other equipment.

## Accountability Report

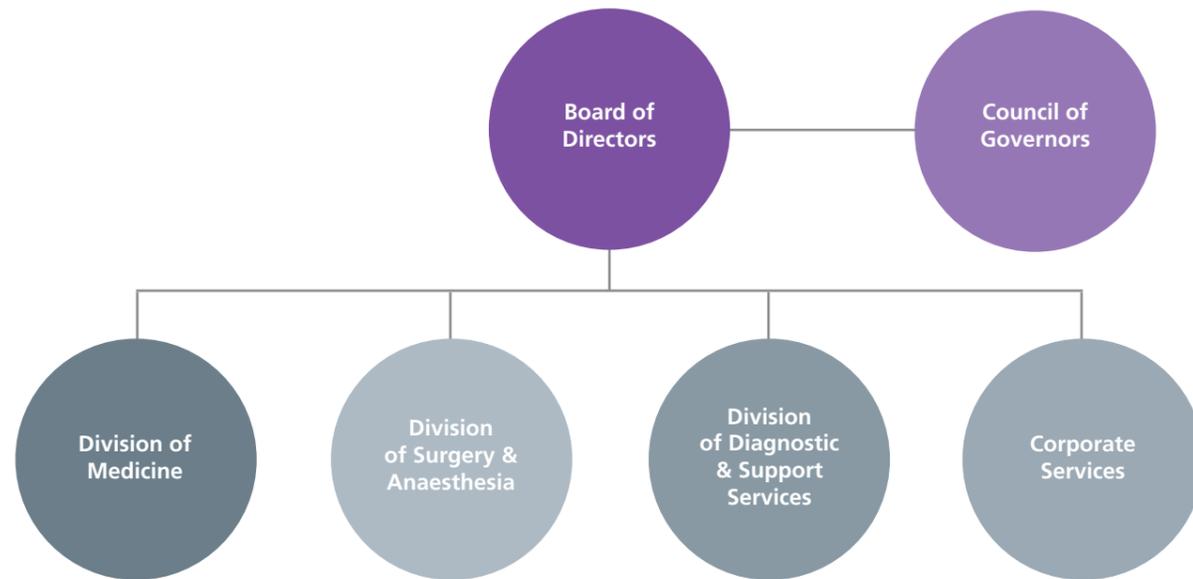
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# Directors' Report

## Board of Directors

The management of the Trust is overseen by the Board of Directors which, in line with the NHS Foundation Trust governance requirements, is held to account by the Council of Governors to discharge the Trust's accountability to the local population.

Clinical services are delivered through three clinical operating divisions. A range of corporate functions support the operational activities.



The Board of Directors comprises six Non-Executive Directors, including the Chairman and up to five Executive Directors, including the Chief Executive (further details including biographical information can be found on pages 129–132). The Board of Directors has overall responsibility for strategic development, for ensuring the quality and safety of our services, education, training and research delivered by the Trust; ensuring that Aintree is complying with its licence (an important element of which is its review of the risk management framework and the effectiveness of internal controls); ensuring the delivery of effective financial stewardship, high standards of clinical and corporate governance and promoting effective relationships with our local community.

The Board reviewed its performance and effectiveness against the standards in each of the four key areas of the Monitor (NHSI) Quality Governance Framework (strategy, capabilities and culture, process and structures, and measurement), using the recommendations from the independent Well-Led Governance Review which took place in 2016/17 to inform its formal agenda and development discussions in 2017/18. This built on the areas of strength highlighted by the Review including the robust governance structure with a clear focus on assurance reporting and escalation, and good use of the Board Assurance Framework. The latter, in conjunction with the Corporate Risk Register, enables the Board to be assured that risks to quality of care are identified and

managed. The Board also considered the report from the CQC Inspection in 2017 to inform its learning and work is being taken forward in 2018/19 with Deloitte LLP to address this.

Further details relating to the systems of internal control are to be found in the Annual Governance Statement (AGS) (page 148).

During 2017/18, the Board of Directors continued to reinforce its stated principle that efficiency savings cannot be realised to the detriment of quality and patient safety. We have had a good record of strong financial management and although we continue to face significant financial pressures, we believe that, in conjunction with our exceptional staff, we are able to continue to respond to the challenges facing us.

# NHS Improvement's Single Oversight Framework

## Single Oversight Framework

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

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led).

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

## Segmentation

NHS Improvement has placed Aintree University Hospital NHS Foundation Trust in Segment 2.

This segmentation information is the Trust's position as at 23 May 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

## Finance and use of resources

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

Area	Metric	2017/18 scores				2016/17 scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service cover	4	4	4	4	3	4
	Liquidity	4	4	4	4	4	4
Financial efficiency	I&E margin	4	4	4	4	2	3
Financial controls	Distance from financial plan	2	2	2	2	1	2
	Agency spend	4	4	3	3	4	3
<b>Overall scoring</b>		<b>4</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

Table 3: Single Oversight Framework scores

## Directors' interests

The Board of Directors annually reviews its Register of Declared Interests. The Directors are required to make known any interest in relation to matters being discussed at a meeting of the Board, and any changes to their declared interests. The Register of Declared Interests for the Board of Directors is held by the Director of Corporate Governance/Board Secretary and is available for public inspection.

Members of the public can gain access to the Register of Directors' Interests by writing, telephoning or emailing the Trust Headquarters:

Aintree University Hospital NHS Foundation Trust,  
Aintree Lodge, Lower Lane, Liverpool, L9 7AL.

Telephone: 0151 529 4766, e-mail: [governors@aintree.nhs.uk](mailto:governors@aintree.nhs.uk)

Further details of Aintree's Board of Directors are at pages 129–132.



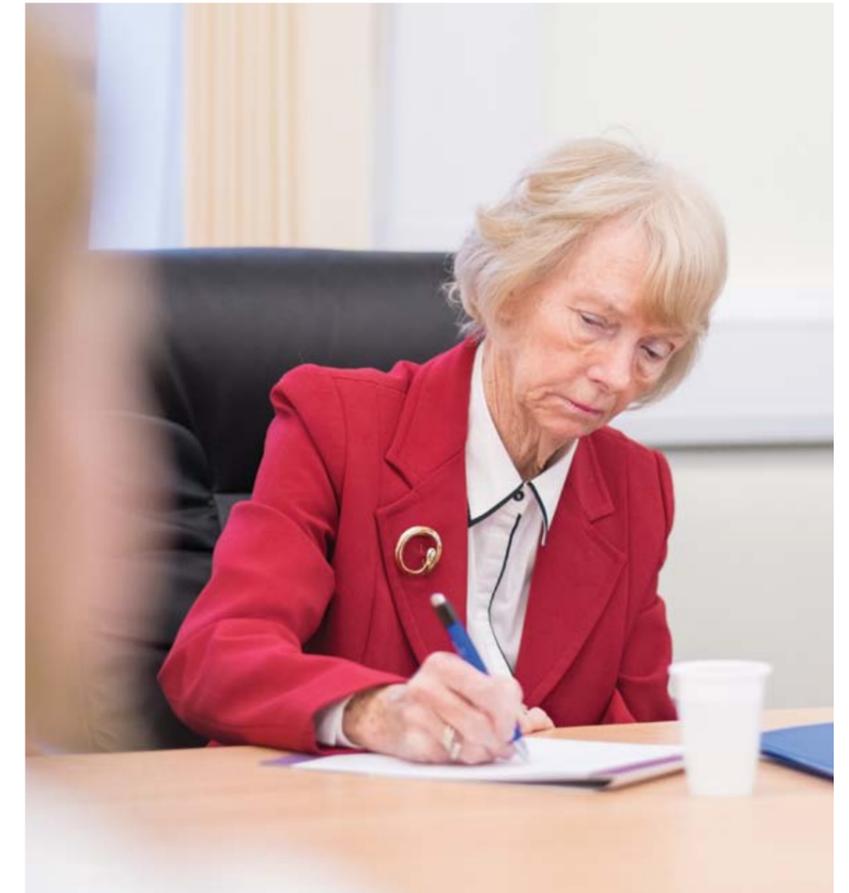
## Quality Governance

The Board is committed to quality governance and ensures that the combination of structures and processes at Board level and below support quality performance throughout the Trust. The Board's Quality Committee ensures oversight of clinical risks and provides assurance to the Board on the quality of clinical care. To do this, it reviews serious incidents and receives assurances on the linkages with key areas such as complaints and claims. It also monitors compliance with CQC standards.

The Trust uses the Datix system to ensure that risk management is embedded within the organisation and to register all incidents, complaints and claims. The system creates regular reports for key staff and for the groups responsible for governance and quality both divisionally and at Trust level. The Trust has appropriate policies and procedures in place to support quality governance. Appropriate training is provided both at induction and at regular planned intervals, depending on assessment of need, and in a targeted manner.

All methods of feedback, whether they be incidents, complaints, claims, inquests, formal reviews or informal patient feedback are closely analysed thematically by the Trust. This enables the Trust to identify lessons that can be learnt, change practice where necessary and to improve controls that are in place. This process is enhanced by external benchmarking and participating in peer review. The Chief Nurse leads in ensuring that learning is shared across Aintree from these activities including through a number of staff fora.

The Estates & Facilities Directorate develops, reviews and implements the Trust's health and safety policies and leads the Trust in meeting internal and external requirements set to keep patients, staff and visitors safe. Monitoring of health and safety related non-clinical incidents was carried out throughout the year and identifiable trends as well as Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) incidents investigated and acted upon.



Further assurance of our systems and processes has been gained from internal assessments and internal audit. We produce an annual Quality Report, led by the Chief Nurse, which includes the quality objectives set to improve patient safety, experience and outcomes.

The Trust was successful in securing additional monies from NHS Digital to strengthen our cyber security stance.

Further details of the approach to quality governance within the Trust and the processes adopted to achieve high quality safe patient care may be found in the Quality Report on page 66 and the AGS on page 148.

Significant developments have taken place with regards to Information Security in 2017/18 following the "wannacry" Cyber-attack in May 2017. The Trust was successful in securing additional monies from NHS Digital to strengthen our cyber security stance.

Work has commenced on ensuring the Trust is compliant with the new General Data Protection Regulations (GDPR) which will come into force on 25 May 2018. The Trust's Senior Information Risk Owner, the Director of Finance, has held regular bi-monthly meetings with a key focus on Information Governance and Information Security. E-mail communications have also been issued to staff in relation to information governance and cyber security issues throughout the year.

The Trust has maintained its 'satisfactory' rating for the year in respect of the IG Toolkit.

## Responding to Patients

The Trust has a strong commitment to using patient feedback to improve the quality of its services and to ensure patient experience continues to improve.

### Improving the patient experience

During 2017/18, patient feedback has been obtained from a number of sources including patient stories and from national and local patient surveys. During 2018/19, we will continue this focus by launching our Patient and Family Experience Strategy which will focus on a series of developments to enhance patient and family experience with the ambition of increasing our rating in the National In-patient Survey. It is envisaged that this strategy will assist our staff to provide the best possible experience of care to our patients, families and carers.

Following on from an earlier collaboration with NHS England, Picker Institute Europe and the Institute for Healthcare Improvement (IHI) the Trust was invited to join a further cohort of Trusts participating in Always Events. Having established that our patients do not always know who is in charge of their care, we are currently engaging with patients and staff to consider rolling out the #hellomyname is campaign throughout the Trust.

During 2017/18, the Patient Information Booklets were updated and distributed to the wards to provide information about the hospital from admission through to discharge.

### Learning from complaints

Since the opening of the Patient Advice and Complaints Team's (PACT) reception area at the start of 2017/18, there has been a significant increase in receiving concerns

from patients, relatives and carers and a small reduction in receiving formal complaints. Feedback has been extremely positive and the positioning at the front of the hospital has encouraged patients and their families to access the team.

Local monitoring of improvements in the quality of care in wards/departments is completed via the Aintree Assessment & Accreditation (AAA) Framework.

The PACT volunteers audit the hospital clinical areas to ensure leaflets and posters are displayed in each area to ensure that patient, carers, relatives have the opportunity to raise a concern/complaint. There is also a comments box outside the PACT reception area for anyone wishing to raise a concern/complaint out of normal office hours.

### How we monitor improvements in the quality of healthcare that we provide

Local monitoring of improvements in the quality of care in wards/departments is completed via the Aintree Assessment & Accreditation (AAA) Framework. This process provides the Trust with assurance that the quality and safety of nursing care is being regularly monitored, and that action plans are in place where standards are not met. In addition, AAA supports local understanding

of how care should be delivered, and provides a platform for identifying good practice and where improvements are required in areas of poor performance.

There was an unannounced visit from the Care Quality Commission (CQC) in October 2017, following which action plans were implemented to support improvement in identified key areas. The Trust also took immediate action to address the small number of specific concerns that were raised during inspection by the CQC.

During 2017/18, the implementation of Aintree's Quality Strategy (2014-17) was monitored by the Board Committees and the Executive-Led Groups through quarterly update reports. This has ensured that quality remains at the forefront of the decision making process at the Trust. We also monitor against all relevant national and local targets to ensure we are responding to the needs of our patients appropriately.

### Our progress towards local quality targets and other key quality improvements

Aintree's Quality Schedule 2017/18 and the local Commissioning for Quality & Innovation (CQUIN) standards were developed in line with feedback through activities such as the Friends and Family Test and patient and carer surveys, through discussions with staff, senior clinicians, governors, foundation trust members and in partnership with our local Clinical Commissioning Groups.

Progress towards achieving these key standards and milestones are monitored through the Clinical

Quality Performance Group and Executive-Led Groups. Examples of quality innovation schemes include reducing avoidable mortality from Pneumonia, Acute Kidney Injury (AKI) and Sepsis, improving holistic needs assessment and care planning for patients living with and beyond cancer and enhancing the provision of end of life care.

Key improvement projects in 2017/18 included working with NHS Improvement on a pressure ulcer reduction programme and falls reduction workstreams. These projects in which the Trust works alongside regulatory bodies are especially important as the risk profile of the Trust's patient cohort continues to increase.

### Assessing the healthcare environment

We value the input of our local Healthwatch organisations and their contribution to the Patient Experience Executive-Led Group. We also appreciate the benefit of working with external expert organisations such as the Alzheimer's Society and the Carers' Organisation.

Our Governors have been involved in the patient-led assessment of the care environment (PLACE) inspections during the year which is reported to the Health and Social Care Information Centre. The domains covered as part of the assessments are cleanliness, privacy, dignity and well-being,

food, condition appearance & maintenance, dementia (including dementia friendly environment) and disability. An annual report on the Trust's performance on PLACE inspections is provided to the Hospital Management Board. The outcome of the 2017 inspections showed that the Trust had improved in each domain on the previous year and against the national averages.



## Stakeholder Relations

### Aintree's public and patient involvement activities

During 2017/18, there have been a number of projects where we engaged with and involved patients, carers and relatives. These included:

#### Visiting Times Audit

In July 2017, the Volunteers Department supported a survey of inpatients asking them about their experiences of visiting times following the introduction of flexible visiting hours in 2016/17.

Our patients told us that they were happy with the flexible hours for visiting and during 2018/19 we will continue to work with the wards to support staff in promoting the Visitors' Charter and Information Leaflet to patients and visitors.

#### End PJ Paralysis

In October 2017, the Trust held a series of awareness events as part of the national #endpjparalysis campaign which aims to get patients dressed and moving in their own clothes, rather than hospital gowns or pyjamas to help combat deconditioning - the process of physical deterioration due to bed rest - as for many patients wearing pyjamas reinforces feeling unwell and can prevent a speedy recovery.

We continue to take this forward and ask relatives, friends and carers to help and support us by bringing in patients' own clothing to help them get out of bed. We also encourage patients to ask about their condition, what needs to be done to enable them to go home and when they can be discharged. Each ward taking part will have a nursing health care assistant champion and therapy champion who will help develop ideas to combat deconditioning and encourage colleagues to implement the agreed practice.

#### Patient Voices

'Patient Voices' allows patients to leave a recorded voice message on their experience via the Friends & Family Test (FFT).

The facility to leave feedback via automated voice message or text messaging was already established in Outpatients and the Emergency

The Board of Directors has described this mechanism as a powerful tool for ensuring that patient views are heard in their own words.

Department and in February 2017 the facility was expanded to incorporate inpatients. The Board of Directors has described this mechanism as a powerful tool for ensuring that patient views are heard in their own words. All positive and constructive feedback received via FFT is disseminated to Divisional teams, who then develop action plans to address any issues.

## Volunteers Service

2017/18 has been another successful year for Aintree Volunteers, who continue to provide a highly regarded service with both local and national recognition, particularly for its positive contribution to the patient journey and the excellent relationship with the local community.

A dedicated group of over 800 volunteers between the ages of 16 and 88 offers invaluable support to the Trust by enhancing the services delivered to patients in a variety of ways, e.g. sitting and chatting with patients, organising activities for elderly patients, acting as dining companions for patients with dementia, providing complementary therapies etc. The volunteer end of

life companionship service continues to make a significant impact on the palliative care delivered within the Trust. The wide range of tasks undertaken by volunteers and the genuine desire to give their time freely and willingly to help others continues to exceed all expectations and is greatly appreciated by patients, visitors and staff.

The volunteer department also manages one of the largest NHS Trust work experience schemes and works in close liaison with 121 Schools, Colleges and Universities in the Merseyside area. 585 work experience students attended the Trust during the year to gain invaluable experience of working within a busy NHS environment. During the year, the

scheme was recognised as one which provides excellent high quality work experience opportunities for all ages and was given Silver accreditation with Fairtrain. The Fairtrain quality mark is a sought after accreditation which Aintree now shares with British Airways, Bentley Motors and Cisco UK.

Future plans and aims for the service include embarking on a number of new volunteer initiatives to support patients and their families in many of areas of the Trust. Having excellent relationships with the local community is a real advantage and guarantees a constant flow of kind hearted people from all walks of life who are keen to give their time freely to help deliver an excellent service to our patients.

## Research & Development

The Research Department aims to have a diverse range of research studies available for patient participation. This includes both non-commercial and commercial partnerships, covering over 33 therapeutic clinical areas.

In 2017/18, Aintree conducted over 320 clinical research studies, achieved through clinical leadership and a commitment from over 100 Principal Investigators across the Trust. The Principal Investigators are supported by a record number of research nurses maintaining the research portfolio.

The Trust has a high number of research studies open and recruiting although there has been a slight dip compared to previous years. This dip is expected as research activity fluctuates year on year; however, the overall aim is to increase the number of clinical trials, using the commercial income revenue.

At present, the Trust has partnerships with over 40 commercial contract organisations, generating comparable revenue levels from the previous year which supports research activity across the Trust. The Trust is regularly performing at 100% for the delivery of its commercial trials and, as this data is held within the public domain, commercial partners approach

Aintree to place commercial contracts with our successful delivery team.

Aintree has been working with the Collaboration for Leadership and Applied Health Research in Care (CLAHRC). The Trust has supported this collaboration on a variety of research projects during 2017/18 with the aim of improving health, well-being and quality of care across the region. Aintree has contributed to the Cancer project, Managing Complex Health Needs and Diabetes.

The Cancer project is a partnership with the University of Liverpool looking at how doctors and nurses communicate with their head and neck cancer patients. The aim is to develop a tool to aid communication during the patient's clinical pathway.

The Managing Complex Health Needs is an Aintree collaboration with Alder Hey Children's NHS Foundation Trust and the University of Liverpool. The aim of the project is to help patients when they are moving from the Children's Hospital to an adult hospital.

Aintree was commissioned to evaluate the Liverpool Diabetes Partnership. The outcome of the evaluation will be reported during 2018/19. The partnership between the Trust and CLAHRC was established with the Liverpool Commissioning Group to improve the service delivery of Diabetes across the region.

This facility has specialist equipment and resources to support the diverse portfolio of research studies conducted at the Trust.

The refurbished clinical research facility, within the Clinical Sciences Building for Research and Education, is now fully operational. This facility has specialist equipment and resources to support the diverse portfolio of research studies conducted at the Trust. It also provides the opportunity to showcase to our commercial partners the excellent delivery capacity when they are considering research study placement within the North West Coast.

Genomics England, a company wholly owned and funded by the Department of Health, was set up to sequence 100,000 whole genomes from NHS patients by 2017. Its four main aims are to bring benefit to patients; to set up a genomic medicine service for the NHS; to enable new scientific discovery and medical insights; and to kick start the development of a UK genomics industry.

During 2017/18, Aintree has been actively recruiting patients with cancer into the Genome Project from breast, colorectal and head and neck cancer.



## Research Strengths

### The Trust has world-leading academic infrastructure in the following areas:

#### Diabetes and Obesity

During 2017/18, the diabetes and endocrine team have been very active with clinical research, publications and starting new projects. They have published over 25 original papers and review articles in prestigious journals such as the Lancet, Diabetologia, Diabetes Care and Diabetes, Obesity and Metabolism. There are a number of new studies due to open, namely:

**STRIVE** – Aintree is one of four collaborative sites in the UK for this £1.6 million investigator-initiated study studying the effects of the weight loss medication liraglutide in people with severe and complex obesity.

**RESILIENT** – this £1 million study will investigate the effects of two medicines for diabetes (dapagliflozin and exenatide MR) on appetite and body composition.

**ENERGIZE** – this £0.5 million study has completed recruitment and follow up of the effects of dapagliflozin on energy balance in diabetes. The results will be presented during the American Diabetes Association meeting in June 2018.

There are also a number of new commercial trials in obesity, diabetes and diabetes complications that will open in 2018.

Four MD/PhD students have completed and been awarded their degrees. In April 2017, Dr Uzman Alam started as a new Clinical Senior Lecturer and Honorary Consultant in Diabetes and Endocrinology. Dr Alam will focus on a new area of research for the Trust on the complications of diabetes, especially neuropathy. He has already been successful in obtaining grant funding and started some commercial research into new treatments for painful neuropathy which affects many people with diabetes.

#### Head and Neck Cancer

Mersey Head and Neck Oncology Group (MHNORG), currently comprising of 45 research staff and primarily based between Aintree and the University of Liverpool, is the largest UK centre for postgraduate research training in Head & Neck (H&N) specialties. The team have a comprehensive portfolio of early and late-phase local and national clinical trials. Central to the success of the group is the consented collection of tissue samples from surgical cases at Aintree for the purpose of translational research from more than 1500 patients diagnosed with Head and Neck Squamous Cell Carcinoma (HNSCC) malignant or premalignant lesions. In addition to the clinical team the MHNORG have accrued a longitudinal, frozen and archival tissue and blood resource with funding from the Johnson Foundation and the University of Liverpool, along with funding from Aintree for a Laboratory Manager who has populated the laboratory in the Clinical Sciences Centre at Aintree that enables primary cell culture of tumour tissue on site and has resulted in the production of numerous new HNSCC cell lines.

The Team are recognised national and international leaders in several fields including:

1. HPV positive Oropharynx cancer, including epidemiology, diagnosis, risk-stratification and the identification of novel, de-intensified treatment strategies involving trans-oral laser surgical approaches which have been pioneered in Aintree.
2. Oral cavity cancer, including the identification, risk-stratification, management of pre-malignant oral lesions, facial reconstruction post-surgical ablation and the management of osteoradionecrosis.
3. Health Related Quality of Life (HRQOL) and Surgical Outcomes.
4. Early and late phase clinical trials in H&N cancer: notably, early phase, window-of-opportunity studies.

#### Critical Care and Anaesthesia

The Aintree Critical Care and Anaesthetic Group has been very successful in bids to provide extra nurse support to the research team. They have increased the numbers of patients recruited from 4 per month to 11 per month and the team have also been successful in winning a national funding award from the National Institute of Academic Anaesthesia. This award aims to evaluate a novel collaborative approach to teach emergency cricothyrotomy in emergency but difficult situations.

#### Respiratory Research

The laboratory provides excellent research opportunities for patients with asthma, Chronic Obstructive Pulmonary Disease (COPD) and Interstitial Pulmonary Fibrosis. The research brings together expertise from Liverpool School of Tropical Medicine, the University of Liverpool and the NHS with multiple external collaborations.

#### Musculoskeletal Diseases

The team has recently started to recruit into an early phase trial study looking at a novel drug formulation into osteoarthritis. This collaboration involves both commercial partnerships and involvement and support from Liverpool Clinical Trials Unit based at the University of Liverpool. The team has recently patented a new blood test to predict responses to high cost biological drugs in rheumatoid arthritis. This has now been commercialised by the University of Liverpool and has the potential to save the NHS more than £12 million per year.

## Performance – Measures

- During 2017/18, we continued to maintain the Trust's excellent track record for the recruitment of patients into studies, increase the breadth of studies and to refine performance metrics. We also aimed to review:
  - Management and Governance of all Clinical Trials of Investigative Medicinal Products
- Time to Target (Performance in Commercial Activity Time to Target) – the figure associated with the high level objectives and the Performance in Initiation and Delivery objective is 80%. The Trust has maintained this delivery target and is currently running between 90% and 100% for the Delivery of Commercial Clinical Trials
- Initiation in Clinical Research – the Trust has a very challenging target of a 70 day benchmark to recruit the first patient into the study. During 2017/18, the Trust was running at approximately 80% for all activity.

## Performance – Activity

During 2017/18, the Trust maintained a large number of studies available to our patients, with over 320 studies conducted. The figure is comparable to previous years as seen in Chart 6. However, the trajectory is on a downward trend; this is within normal range of studies as they are continually opening and closing on a day to day basis. However, in response to the

downward trajectory, the pipeline of studies has been reviewed. Currently, the Trust is turning down approximately 20 studies per month. Given the patient population at Aintree, it was recognised that this was not ideal and required a research nurse infrastructure to support the portfolio but there is a proposal to invest in a further two research nurses to address this issue.

#### Total Studies per year

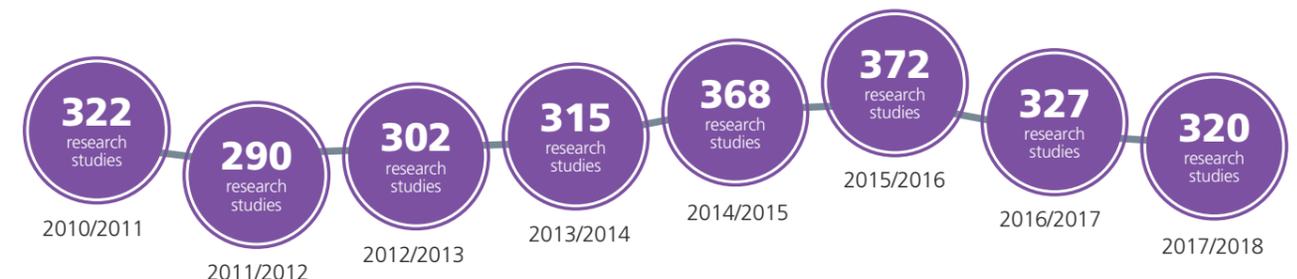


Chart 6: Total Number of Research studies during 2017/18

#### Total Commercial Income

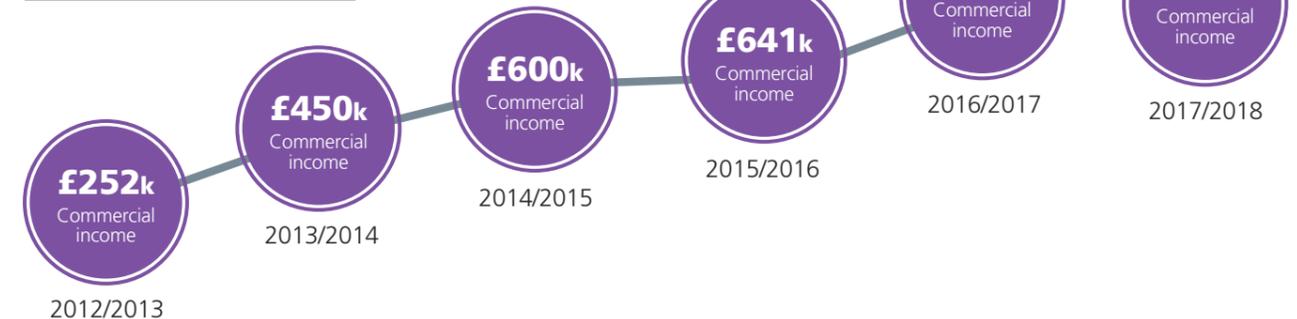


Chart 7: Commercial income generation during 2017/18

## Funding

### The Trust has three main streams of funding for Research and Development activities:

#### Commercial partnerships with Pharmaceutical companies

The revenue generated from commercial contracts reached an all-time high in 2016/17 and this has been maintained for 2017/18. This funding supported the growth of research activity and research staff across the Trust. However, commercial activity is vital to the support of the growth of research activity across the Trust. To address this, the Trust gave a commitment in 2017/18 to increasing the research workforce in order to generate an increase in commercial income.

Aintree continues to be involved with the development of an Industry Gateway Office (IGO), led by Liverpool Health Partners, and chaired by the Trust's Chief Executive. The IGO aims to promote Liverpool to external commercial partners as a region with the capacity to deliver clinical trials and commercial contracts.

#### Department of Health

This funding flows through the National Institute for Health Research (NIHR) which has been reduced in the North West Region as a whole. However, the funding allocations for 2018/19 have allowed Aintree to maintain its funding allocation with a small uplift due to activity. This provides the opportunity to review our non-commercial activity during the next financial year.

#### Grant Awards from national calls for research themes from Charitable Organisations and the Department of Health

##### NIHR Doctoral Research Fellowship

The Trust has been awarded a prestigious NIHR Doctoral Research Fellowship during 2017/18. This study is led by a trainee surgeon with the aim of developing Principal Investigators and hence provides a sustainable research workforce for the future. The research is looking at the effectiveness of Fibrin Sealant in reducing complications in patients undergoing neck dissection for head and neck cancer. If this pilot study demonstrates that a future trial is deliverable, it is anticipated that it will commence shortly after funding is secured. Fibrin Sealant could be implemented into routine surgical practice without delay to our patients here at Aintree. As neck dissection is one of the most commonly performed major head and neck operations, the result of the trial could have far reaching effects on patient care both nationally and internationally.

#### NIHR Programme, Clinical Doctoral Research Fellowship

The Trust has been awarded a Clinical Doctoral Research Fellowship in Diabetes research led by an Aintree physiotherapist. The Health Education England/NIHR Clinical Doctoral Research Fellowship (CDRF) Scheme is aimed at registered non-medical healthcare professionals with sufficient research experience or training to prepare them to undertake a PhD, and who wish to obtain a PhD by research whilst continuing to develop their clinical skills.

This fellowship will explore the effects of physical activity on patients following bariatric surgery. Following bariatric surgery clinical guidelines recommend that patients undergo regular exercise; however, research shows that levels of physical exercise remain low. There is evidence to show that physical exercise following surgery may have long term outcomes, patients may achieve a greater initial weight loss and reduce the risk of regain. In addition to this, the body is able to use insulin which is important for good blood sugar control in diabetes.

The research team, led by an Aintree physiotherapist, will develop work packages of exercise to provide support and guidance to Aintree patients following bariatric surgery. There will be wide consultation with patients, commissioners and clinical teams to evaluate the effectiveness of the work packages.

There is evidence to show that physical exercise following surgery may have long term outcomes, patients may achieve a greater initial weight loss and reduce the risk of regain.

Once the study is evaluated, the findings will be shared with Aintree patients and the public through the Patient and Public involvement group established here at Aintree. This group consists of Aintree patients and participants from a UK based charity specifically for people who have had or are considering the weight loss surgery. Therefore the results will be fed back to the very participants who have helped shape the research here at Aintree.

## Sustainability

Our ambition is to expand the research portfolio across therapeutic areas and although this remains a challenge, we believe it is achievable with excellent communication and ongoing involvement with clinical colleagues.

The Trust's success with external collaborators and regional Higher Education Institutes maintains our commercial

contracts across the Trust. We believe that the proposed merger with the Royal Liverpool Hospital will bring excellent benefits for research staff, both in terms of capacity and career development opportunities which, in turn, will bring increased benefits to patients.

## Governance

The Trust has recently undergone a hosted site Medicines and Healthcare Products Regulatory Agency (MHRA) Inspection in collaboration with one of our commercial partners. The study was set up and risk assessments were commented upon by the MHRA. As a Trust, the MHRA complemented the Generic Research team for their record and data management keeping, along with Standard Operating Procedure delivery for Trial Master Files and Clinical Oversight.

This activity is supported by Research & Development oversight of the clinical trials. The Sponsoring organisation were extremely supportive and stated that the MHRA Inspection and the Findings were *'the most favourable they have ever been involved with'*. This was a success to be celebrated, between the collaborating Sponsor, Research and Development and Clinical Generic Team led by Melanie Harrison, Senior Research Nurse.

## Research Success at Aintree

#### Cardiology

Aintree is playing a leading role in improving the diagnosis of patients with coronary heart disease. The Trust is taking part in a major European research trial called DISCHARGE to speed up the diagnosis of Aintree patients with chest pain and possible coronary heart disease.

Aintree is playing a leading role in improving the diagnosis of patients with coronary heart disease. The Trust is taking part in a major European research trial called DISCHARGE to speed up the diagnosis of Aintree patients with chest pain and possible coronary heart disease. During 2017/18, Aintree patients will be recruited into the trial to determine if the use of CT scans would benefit patients in the diagnosis of coronary heart disease. This work was first pioneered in Berlin and now our patients have the opportunity to be involved in this important clinical research study.

This work was first pioneered in Berlin and now our patients have the opportunity to be involved in this important clinical research study.

#### Hepatology

During 2017/18, Aintree worked with a commercial partner, Vital Therapies, in ground breaking research for liver disease. The Aintree hepatology research team were flying the flag for the UK as they were the top recruiter across Europe in this innovative device and drug trial.

#### Cancer

The research nurses and data manager at Aintree were chosen to be the Cancer Research UK Clinical Drug Development (CDD) Trial Heroes. In 2017/18, they won the award from the CDD team *"for all their hard work on the AMG319 study. They are fantastic with their patients and will go above and beyond to ensure that they can take part in the study. The whole team are extremely conscientious and enter very high quality data and process extremely complicated samples. They are a lovely team and are always extremely welcoming and accommodating on monitoring visits"*. The team is led by Professor T Jones.



## Clinical Research Studies across the Trust

Presently, there are over 300 studies open and recruiting across 33 therapeutic departments.

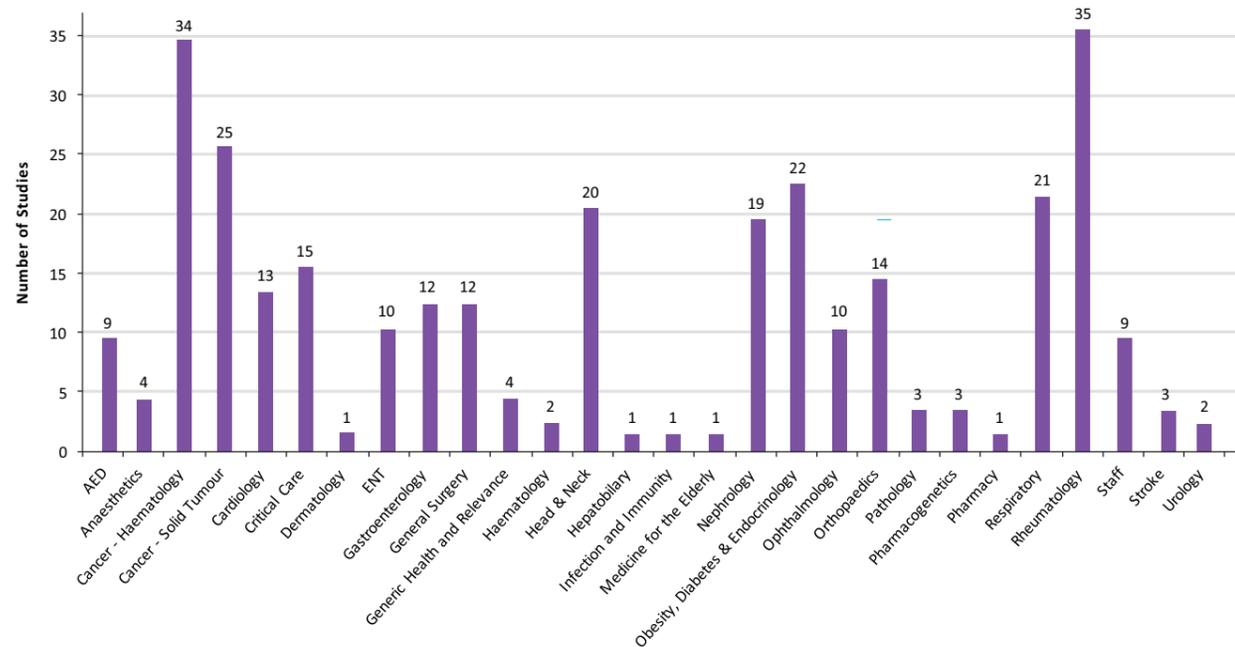


Chart 8: Research Active Departments

## On-going Developments within Research and Development

We have seen progress in a number of areas, with many successful grant applications and publications such as:

- Over 100 Publications in high impact scientific and medical journals
- Key member of Joint Research Office initiative
- Fully refurbished and operational Clinical Research Facility based in the Clinical Science Centre supported by a dedicated Clinical Research Facilities Manager
- A full review of the governance arrangements for Clinical Trials and a review of the Research Standard Operating Procedures
- Clinical Academic Programmes Leads with key stakeholders: Aintree involvement in Cancer, Infection & MSK, Diabetes and Respiratory
- Strong commitment from both Research and Development offices to provide a unified research service across both Aintree and Royal Liverpool sites
- Model of service reconfiguration for research administration has been developed and agreed by the CEO at Aintree and CEO at Royal Liverpool Hospital.

## Staff Report

Our staff are an integral part to delivering our vision to be a leading provider of the highest quality health care and are the key enablers to delivery of all of our strategic objectives.

We continue to build on our commitment to staff engagement and understand the importance of having all our people focussed on *'getting it right for every patient every time'*.

At the year end, the Trust employed 4,916 staff as follows (male: female ratio):

Staff Group	Numbers	Male: Female ratio
Directors	13	7 : 6
Senior Managers (ESR)	488	248 : 240
Other Employees	4,428	847:3,581

Table 4: Trust Employees

## Staff Engagement & Well-being

As well as the Staff Survey and the Staff Friends & Family Test, other initiatives such as "Conversations with the Board" and "Ask the Board" have supported staff engagement. Significant work has also been undertaken on making it easy, expected and safe for staff to raise concerns.

### Summary of Engagement Activity

The Trust has continued to improve its engagement with staff using Listening into Action (LIA) methodology which empowers staff to address barriers getting in the way of them doing the right thing and improving the delivery of services provided for our patients.

2017/18 has seen LIA principles being deployed locally and corporately within the organisation.

Key achievements in 2017/18 were:

- **Conversations with the Board** – these focussed on the organisation prioritising patient care. All Board members were involved in structured conversations with staff at all levels from the Divisions and Corporate Teams including Estates & Facilities on how well they feel the organisation prioritises patient care. These sessions have enabled staff to feed back their experience and for Board members to explore how improvements can be achieved.
- **Ask the Board** – offers staff the opportunity to put their questions direct to the Board and for the Board's responses to be shared with all staff via our website.

- **Raising concerns model** – this has continued to evolve with the implementation of the Speak out Safely Policy. The Freedom to Speak Up Guardian role has also continued to evolve and a report is provided to the Board twice yearly to highlight any themes.

- **Directors Dragons' Den** – this has been led by the Chief Executive with investment for a range of innovative schemes being approved, including a Zappor App for education, for both staff and patients to be able to provide the best possible care, improved outside space for our patients recovering from strokes and other neurological conditions and the design of a new bespoke gown for our patients on critical care who need very specialised care.

## Education & Learning

During 2017/18, the Trust continued to drive its Education & Learning Strategy with a multi-disciplinary approach to education and learning with a focus on improving capability and competence across all staff groups. The Integrated Education & Learning Service supports the delivery of this approach.

### Key achievements in 2017/18 include:

- Implementation of the core education teams and functions to support a multi-professional approach across medical and clinical education, as well as a learning organisation team. Delivering excellence in education to meet the Trust's common purpose
- Improved educational experience of our trainees by establishment of full day's protected teaching once a fortnight for foundation trainees, with positive evaluation
- Developing the multi-professional workforce to support changes in medical staffing to include further development of advanced practice, physicians associates and medical support worker roles (MSW)
- Continued implementation of the junior doctors' contract
- Funding was received from the 'Dragons' Den' initiative for several initiatives such as support for trainee doctors; augmented reality app, innovative learning environment and state of the art simulation equipment
- On-going provision of a clinical training hub in the acute hospital, which provides staff with easy access to Clinical Education
- Improved 'Carry the bleep' teaching for 5th year medical students to prepare them for foundation years
- Excellent feedback received for our undergraduate education programme delivery for medical students from the University of Liverpool
- Improved feedback received from Health Education England (HEEN) for our Postgraduate Medical Education and removal of the Trust from General Medical Council (GMC) Enhanced Monitoring
- Support for the development of a Mersey Apprentice strategy led by the Mersey teaching partnership
- Implementation of a multi-professional preceptorship programme for newly qualified nurses and AHP's
- Implementation of a new mandatory risk management training matrix and made significant improvement in compliance
- Continuation of undergraduate multi professional simulation education (STABILISE) in collaboration with local Healthcare Environment Inspectorate (HEI)
- The creation of a Learning Zone which allows staff to drop in and practice their clinical skills.

## Leadership Development

Developing leadership and management capability and capacity across the Trust remains a key priority for Aintree. It is an integral part of our drive to improve the quality of patient care and the experience of patients, their families and friends.

### During 2017/18, Aintree reviewed the provision of leadership and management programmes, including:

- The Institute of Leadership and Management (ILM) Level 2 Team Leader Award - a 3 day programme accredited by the ILM and aimed at Team Leaders and Supervisors
- Commissioned the development of a core management skills programme
- Implemented a team performance coaching programme for the senior leadership team
- A matron professional development programme has been undertaken.



## National NHS Staff Survey 2017

The national NHS staff survey ran between September and December 2017. The Trust used a mixed mode method and all staff were offered the opportunity to complete the survey. Details of the key findings from the Survey are identified below:

Response rate	2016/17	2017/18		Trust Improvement/ Deterioration
	Trust	Trust	Benchmarking group (acute trust) average	
Response rate	43%	50%	45.5%	The response rate for the Trust increased by 7% on the previous year and is also higher than average for acute trusts.

Table 5: Summary of performance – Response rates 2017

### Largest local changes since the 2016 Survey

#### Staff experience has improved against the following key findings:

- KF10 Support from immediate managers
- KF13 Quality of non-mandatory training, learning or development
- KF15 Percentage of staff satisfied with the opportunities for flexible working patterns
- KF30 Fairness and effectiveness of procedures for reporting errors, near misses and incidents
- KF9 Effective team working.

#### Our top 5 scores in 2017 where the Trust compared most favourably with other acute trusts:

- KF16 Percentage of staff working extra hours
- KF20 Percentage of staff experiencing discrimination at work in the last 12 months
- KF25 Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months
- KF26 Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months
- KF14 Staff satisfaction with resourcing and support.

#### Our bottom 5 scores in 2017 where the Trust compared least favourably with other acute trusts:

- KF4 Staff motivation at work
- KF11 Percentage of staff appraised in the last 12 months
- KF23 Percentage of staff experiencing physical violence from staff in the last 12 months
- KF18 Percentage of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves
- KF24 Percentage of staff / colleagues reporting most recent experience of violence.

Top 5 ranking scores				Trust Improvement/ Deterioration
2016/17	2017/18			
Trust	Trust	Benchmarking group (acute trust) average		
KF16. Percentage of staff working extra hours	70%	69%	72%	Improved from 2016 and better than national acute average
KF20. Percentage of staff experiencing discrimination at work in the last 12 months	10%	10%	12%	Same as 2016 but lower than national acute average
KF25. Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	26%	27%	28%	Slightly worse than 2016 but still better than the national acute average
KF26. Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months	23%	22%	25%	Improvement from 2016 and better than national acute average
KF14. Staff satisfaction with resourcing and support	3.33	3.35	3.31	Improvement on 2016 and better than national acute average.

Table 6: Summary of Top 5 Ranking Scores

Bottom 5 ranking scores				Trust Improvement/ Deterioration
2016/17	2017/18			
Trust	Trust	Benchmarking group (acute trust) average		
KF4. Staff motivation at work	3.82	3.84	3.92	Improvement on 2016 but still below national acute average
KF11 Percentage of staff appraised in the last 12 months	78%	78%	86%	Same as 2016
KF23 Percentage of staff experiencing physical violence from staff in the last 12 months	2%	3%	2%	Worse than 2016, however, figure is not statistically significant
KF18 Percentage of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves	58%	56%	52%	Improvement on 2016 but still worse than national acute average
KF24 Percentage of staff/ colleagues reporting most recent experience of violence	60%	63%	66%	Improvement on 2016 but still worse than the national acute average

Table 7: Summary of Bottom 5 Ranking Scores

## Future priorities and targets

The priorities for action arising from the 2017 survey have been linked directly to delivery of the Trust vision and common purpose and link to the four high impact areas identified in the Trust's Annual Business Plan:

- Culture
- Capacity
- Competence
- Communication.

Improvement work is already underway to ensure the Trust achieves the national average for staff engagement.

An improvement programme will also be developed to ensure consistent engagement across the organisation as part of the Trust's cultural improvement programme.

## Staff Friends & Family Test

Feedback from the National Staff Friends and Family Test (FFT) was monitored quarterly during 2017/18, with the exception of Quarter 3 as this coincided with the National Staff Survey period.

The Staff FFT poses two questions:

- how likely are you to recommend this organisation to friends and family if they needed care or treatment?
- how likely are you to recommend this organisation to friends and family as a place to work?

The Trust's results for 2017/18 are set out below demonstrating an improving trend in recommendation as a place to work.

Trust Wide – 2017/18												
Question	Base			% Score			% Target			Target Met		
	Q1	Q2	Q4	Q1	Q2	Q4	Q1	Q2	Q4	Q1	Q2	Q4
How likely are you to recommend this organisation to friends and family if they needed care or treatment?	929	874	1039	83	85	81	67	67	67			
How likely are you to recommend this organisation to friends and family as a place to work?	926	872	1039	59	61	62	61	61	61			

Table 8: Staff Friends & Family - Trust results 2017/18

This feedback will build on the development work to improve staff engagement and the overall staff engagement score.

## Improving Staff Health & Well-being

The Trust is committed to maintaining high levels of attendance effectively and, to this end, seeks to proactively manage this area.

Throughout 2017/18, the Trust has supported managers and staff in improving their attendance and well-being under five High Impact Changes previously identified. These areas remain the focus for the 2017/18 People and Organisational Development Plan.

### Improvement and changes made in 2017/18

- The Health and Well-being Group (HWG) is tasked with delivery of health and well-being actions in line with the 2016-18 plan. This plan is aligned to the Health and Well-being (HWB) CQUIN and the initiatives within it ensure its ability to deliver the CQUIN objectives which were set out for 2017/18 with a proactive focus on the fast track management of MSK's Effective Mental Health Support and the encouragement of staff to increase their physical activity. Activities such as the NHS Games are again supported with Aintree continuing to chair these events which are designed to encourage staff participation. Following a successful bid to the Dragons' Den, the Occupational Health (OH) and Well-being Service has been able to launch a series of exercise classes for employees including Ai-Chi which take place in the therapies pool (of particular benefit to employees who have experienced MSK disorders); Mindful Yoga and Tai Chi classes
- The Employee Assistance Programme, which involves various listening therapies including counselling, provides greater flexibility for both face to face and phone counselling and support. It aims to support staff to remain in work whilst receiving additional support. In terms of referrals, over 50% of staff accessed the service whilst still in work. The service which is hosted within Occupational

Health and Well-being can tailor the needs of the individual with the type of support required

- A successful Flu Campaign saw us vaccinating over 87% of our frontline staff. Once again, we offered flexibility in appointments and locations covering a 24 hour period to ensure that as many staff as possible who wished to be vaccinated had the opportunity to do so including 'Flu to you' initiatives and 'Jab at the Hut'. Our Flu team worked closely with peer vaccinators to provide the greatest accessibility. We have been shortlisted for this year's NHS Employers Flu Fighters awards in the category of 'Most innovative Flu Fighter campaign'
- We have made further improvements to the online management referral form to Occupational Health to expand the information provided at the point of referral resulting in more effective reports being generated. This is now being shared as best practice within the wider Cheshire & Merseyside OH remit as the basis for streamlining our services
- A programme for Mindfulness training has now been completed by employees across the Trust which has enabled the cascade of mindfulness as a tool that can be used as a means of nurturing individual resilience. It is introduced at the commencement of Basic Life Support training to ensure the widest reach across our workforce

- Following our collaboration with Merseyside Sports Partnership (MSP), the Trust launched an initiative whereby staff had access to gym bikes in their work areas. The purchase of these exercise bikes by the Trust has enabled staff to have access to them at their place of work. This innovation allows staff to spend a few minutes during their working day increasing their physical activity and reducing sedentary behaviour
- Specialist Nurses and our Occupational Physio have commenced the roll out of a series of 'health on the hoof' sessions targeting those hard to reach patient facing staff who seldom take part in the HWB events that are hosted throughout the year. This initiative is fully supported by senior leadership.



## Trust focus for 2018/19

The focus for Health and Well-being for 2018/19 is mapped to the 2018/19 Health & Well-being CQUIN as well as being based on the five High Impact Areas of:

### Developing local evidence-based improvement plans

Build on the HWG's work to deliver the agreed annual plans. The Group is made up of representatives across all stakeholder groups to facilitate meaningful interventions and initiatives aimed at providing employees with information to support their informed lifestyle choices.

### Strong, visible leadership

Ensure health and well-being initiatives are underpinned with strong leadership and visible support at Board level with monthly progress reporting through the Workforce Executive-Led Group and Board.

### Improved management capacity

Ensure line management training plans for 2018/19 in relation to the attendance management of their staff enables managers to be equipped with the tools to deliver fair and consistent management of employees. This will be evident in the newly constructed Core Management Training Programme.

### Access to local, high-quality, accredited occupational health services

Continued review of the occupational health service to ensure it is proactive and accredited to support the system for staff and the organisation as well as look at streamlined quality innovation which meets the health and well-being needs of our staff and our organisation.

### Encouragement and enablement of staff to take personal responsibility

Build on the success of 2017/18 activities and expand targeted initiatives for individuals to make informed choices about health changes and/or improvement that has a positive effect upon them and, in turn, assist in the nurturing of a resilient, engaged workforce through ownership of their holistic health needs. This will be supported by the delivery of the 3 year HWB plan 2016-2019 and as part of the relevant CQUIN.

## Occupational Health (OH) and Well-being Service

**The Trust has an in-house occupational health service which is designed to maximise the physical, psychological and social health and well-being of all employees. This Service also delivers bespoke effective occupational health delivery to a number of NHS Trusts and other organisations.**

The establishment of the Head of Organisational Health and Effectiveness and the review of the various processes for both pre-employment and management referral have had a positive impact on the delivery of a safe effective quality service.

In addition to the core services of new employee health assessments, management referrals/advice and immunisation/vaccination programmes, other services offered by OH and Well-being include fast track physiotherapy, a comprehensive Employee Assistance Programme (EAP), lifestyle health assessments, complimentary therapies, health promotion programmes aligned to Public Health guidance including

weight management assistance, smoking cessation and alcohol support services.

Staff have access to a wide range of proactive Health and Well-being initiatives such as a garden allotment, exercise classes, the use of static exercise bikes in all work areas as well as cycle and running clubs. As part of the proactive approach, the OH service offers 'back on track classes' for employees as an effective means of preventing musculoskeletal disorders by focusing on education, core stability and functional restoration. This programme is also offered to employees who want to improve their general fitness and functional capacity. The OH and Well-being service has led the implementation of various fitness classes specifically for Aintree staff.

The Service has continued to develop its services in accordance with its Safe Effective Quality Occupational Health Service (SEQOHS) accreditation, working with an external provider for an EAP and is nearing completion of electronic personal records for

internal and external customers. As part of its streamlining, the OH and Well-being service has significantly improved its clearance of new starters in patient facing roles in order to benefit the time to hire and on-boarding of new employees. On average, the time to clear from contacting is now less than four working days. The Service has recently completed its SEQOHS re-accreditation which has been awarded for a further 5 years. The comments of particular note from the assessors stating: *"The entire facility provides an exceptional clinical environment for good occupational health delivery"*.

The ongoing development of the OH and Well-being internal and external facing web pages has resulted in a simplified intuitive index of useful information and signposting for employees as well as showcasing what we offer to prospective and existing clients.

### Sickness absence during 2017/18

An attendance management target of 96% was set for 2017/18 and reported to the Board on a monthly basis. The Trust has maintained an average attendance rate of 95.77% across the year. Focussed work is underway on reducing long term absences using a range of health and well-being initiatives.

### Counter Fraud

The Trust is committed to tackling fraud within the organisation by raising awareness of the issues and ensuring all employees are aware of the necessary reporting lines should they suspect fraud, corruption and/or bribery. All employees play a vital role in helping reduce losses throughout the NHS.

The Trust's intranet contains information and guidance to staff on what they can do to report fraud including the contact details of the Trust's Local Counter Fraud Specialist and links to other relevant websites.

The Trust has a suite of policies in relation to Counter Fraud, including Anti-Fraud and Bribery and Standards of Personal and Business Conduct for all employees, in addition to its Freedom to Speak Up policy.

Signed



**Steve Warburton**  
Chief Executive, 23 May 2018

## Off-payroll Arrangements Disclosures

**All Trust board-level appointments are included on the payroll. The Trust only uses off-payroll engagements where there is a genuine commercial requirement to allow the Trust to buy in specialist skills on a short term basis, for which no internal expert exists and for which the Trust would have no long term requirement.**

No. of existing engagements as of 31 March 2018 of which:	
No. that have existed for less than one year at the time of reporting	0
No. that have existed for between one and two years at the time of reporting	0
No. that have existed for between two and three years at the time of reporting	0
No. that have existed for between three and four years at the time of reporting	0
No. that have existed for four or more years at the time of reporting	0

Table 9: For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last longer than six months

All of the existing off-payroll engagements, as outlined in Table 9 above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	1
Of which:	
Number assessed as within the scope of IR35	0
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 10: For all new off-payroll engagements, or those that reached six months duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that last longer than six months

Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'board members and / or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	13

Table 11: For any off-payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018

## Exit Packages (Tables) (Audited by PwC LLP)

1. Reporting of other compensation schemes – exit packages 2017/18	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Exit package cost band (including any special payment element)	Number	Number	Number
<£10,000	2	28	<b>30</b>
£10,001 - £25,000	1		<b>1</b>
£25,001 - £50,000	2	3	<b>5</b>
£50,001 - £100,000	2		<b>2</b>
£100,001 - £150,000			<b>0</b>
£150,001 - £200,000			<b>0</b>
>£200,000			<b>0</b>
Total number of exit packages by type	7	31	<b>38</b>
Total resource cost	<b>£234,000</b>	<b>£220,000</b>	<b>£454,000</b>

2. Reporting of other compensation schemes – exit packages 2016/17	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Exit package cost band (including any special payment element)	Number	Number	Number
<£10,000	1	37	<b>38</b>
£10,001 - £25,000	1	2	<b>3</b>
£25,001 - £50,000	1	4	<b>5</b>
£50,001 - £100,000		2	<b>2</b>
£100,001 - £150,000			<b>0</b>
£150,001 - £200,000			<b>0</b>
>£200,000			<b>0</b>
Total number of exit packages by type	3	45	<b>48</b>
Total resource cost	<b>£42,000</b>	<b>£457,000</b>	<b>£499,000</b>

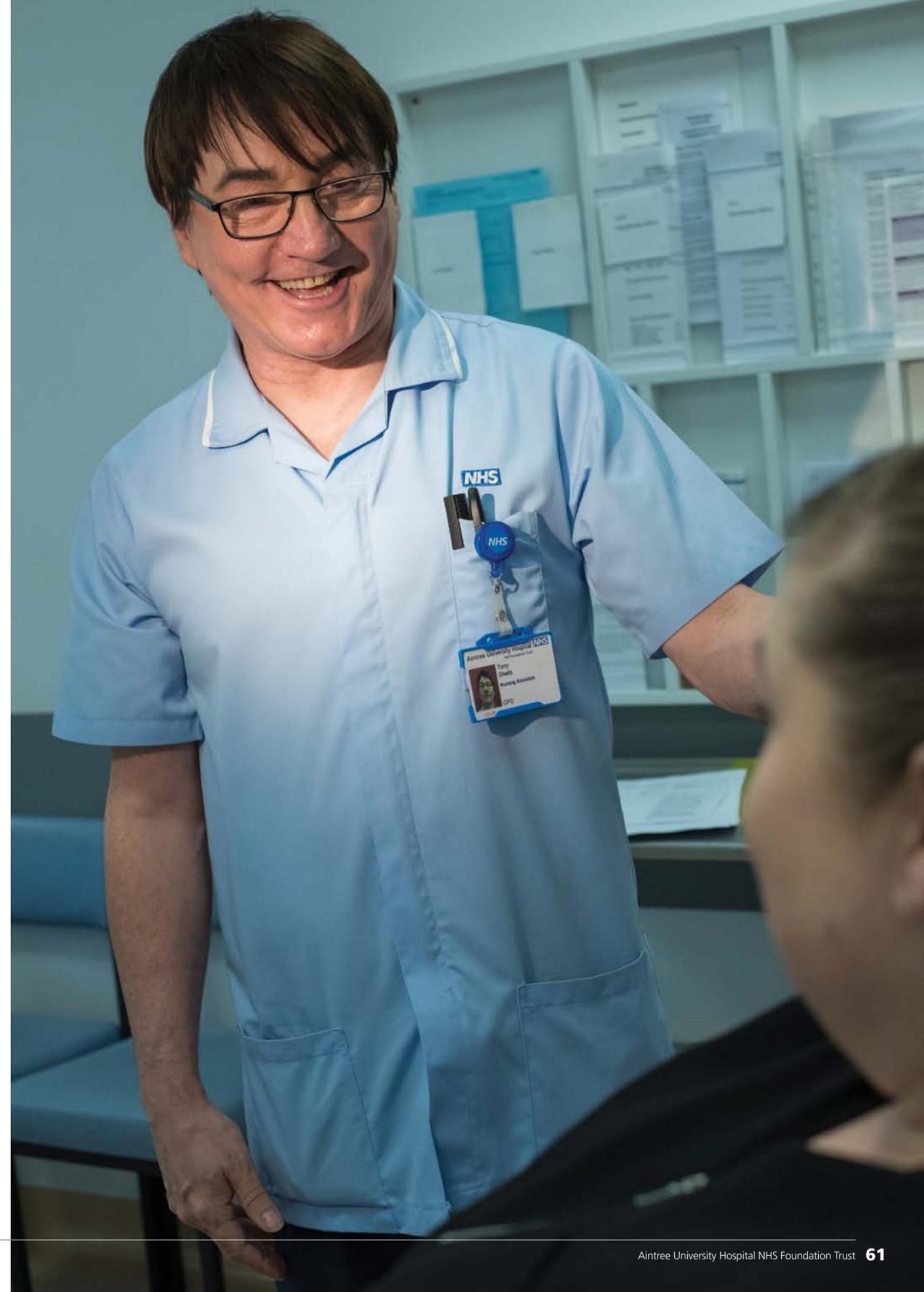
3. Exit packages: other (non-compulsory) departure payments – 2017/18	2017/18	2017/18	2016/17	2016/17
	Agreements	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs				
Mutually agreed resignations (MARS) contractual costs	1	49	7	233
Early retirements in the efficiency of the service contractual costs				
Contractual payments in lieu of notice	30	171	38	224
Exit payments following employment tribunals or court orders				
Non-contractual payments requiring HMT approval				
<b>Total</b>	<b>31</b>	<b>220</b>	<b>45</b>	<b>457</b>
of which:				
non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary				

## Analysis of Staff Costs (FT ARM 2.80): (Audited by PwC LLP)

	2017/18 Permanently Employed £000	2017/18 Other £000	2017/18 Total £000
Salaries and wages (including bank and locum staff)	158,621	13,072	<b>171,693</b>
Social security costs	15,173	562	<b>15,735</b>
Apprenticeship Levy	769	0	<b>769</b>
Employer's contribution to NHS Pensions	17,303	661	<b>17,964</b>
Employer's contribution to National Employer Savings Trust	11	0	<b>11</b>
Agency / contract staff	0	15,236	<b>15,236</b>
<b>Total</b>	<b>191,877</b>	<b>29,531</b>	<b>221,408</b>

## Analysis of Staff Numbers (FT ARM 2.80): (Audited by PwC LLP)

	2017/18 Permanently Employed	2017/18 Other	2017/18 Total
Medical and dental	566	25	<b>591</b>
Administration and estates	961	48	<b>1,009</b>
Healthcare assistants and other support staff	521	29	<b>550</b>
Nursing, midwifery and health visiting staff	1,596	418	<b>2,014</b>
Scientific, therapeutic and technical staff	766	16	<b>782</b>
<b>Total</b>	<b>4,410</b>	<b>536</b>	<b>4,946</b>



## Remuneration Report

Remuneration paid to Executive Directors is determined by the Remuneration and Nominations Committee, whose membership comprises the Trust Chairman and the Non-Executive Directors. The annual statement from the Chair of the Remuneration Committee is to be found on page 138, together with details of attendance at and membership of the Committee.

### Service contract obligations

Appointments to Executive Director posts 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

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 Chairman (for the Chief Executive) may alter, postpone or disallow any individual payment they deem appropriate. These actions must be supported by the Remuneration Committee.

### Remuneration

Details of remuneration are set out in the tables overleaf and have been subject to audit. The tables include the following:

- salaries and fees – annual basic pay
- taxable benefits – additional tax benefits
- pension-related benefits – the annual increase in pension entitlement, determined in accordance with the HM Revenue and Customs method.

The Trust's Remuneration Committee considered each of the proposed salaries for the Executive Directors at the time of their appointment. The Trust can demonstrate that it reviews remuneration on a regular basis and, where new appointments are to be made, takes into account national benchmarking when setting remuneration levels.

The Trust does not have a Performance Related Pay policy so performance-related bonuses are not applicable, nor are recruitment and retention premia applied to senior management roles.

### Senior managers paid more than £150,000

Two of the Trust's Executive Directors are paid more than £150,000, the threshold considered a suitable benchmark for NHS foundation trusts – these are the Chief Executive and Medical Director.

For the Chief Executive and Medical Director, the salary levels applied were benchmarked against the median range, using the Capita NHS Foundation Trust Board Remuneration Report February 2014. The salary level of the Deputy Chief Executive/Integration Director reflected the wider core role in terms of devolved responsibility from the Chief Executive for external areas e.g. Healthy Liverpool, strategic transformation etc. It also reflected the market rate at that time.

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

The banded remuneration of the highest paid director in the Trust in the financial year 2017/18 was £172,500 (2016/17, £222,500). This was 6.5 times (2016/17, 9.2) the median remuneration of the workforce, which was £26,565 (2016/17, £24,262) as audited by PwC LLP.

In 2017/18, 24 (2016/17, four) employees received remuneration in excess of the highest-paid director. Remuneration of these employees ranged from £171k to £289k (2016/17: £235k – £309k). Total remuneration includes salary and, if appropriate, would include non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The fair pay multiple has moved to 6.5 in 2017/18 from 9.2 in 2016/17 mainly due to a reduction in salary of the current highest paid director. In the previous year, the highest paid director was the Medical Director who retired in March 2017. The highest paid director is now the Chief Executive who is in a pay bracket that is £50k lower.

### Expenses

1/21 governors submitted expense claims in 2017/18. The total amount of expenses paid to governors in 2017/18 was £126. 8/13 directors submitted expense claims in 2017/18. The total amount of expenses paid to directors in 2017/18 was £8,703.

## Salary and Pension Entitlements of Senior Managers (Audited by PwC LLP)

### A) Remuneration 2017/18

	Salary and Fees (bands of £5000)	All Taxable Benefits (Rounded to the nearest £100)	Annual Performance Related Bonuses (in bands of £5000)	Long Term Performance Related Bonuses (in bands of £5000)	All Pension Related Benefits (bands of £2500)	Total (bands of £5000)
	£000	£000	£000	£000	£000	£000
Goodwin N, Chairman	40-45	0	0	0	0	40-45
Clague J, Non-Executive Director	10-15	0	0	0	0	10-15
Johnston T, Non-Executive Director	10-15	0	0	0	0	10-15
Wearne M, Non-Executive Director	10-15	0	0	0	0	10-15
Fillingham D, Non-Executive Director	10-15	0	0	0	0	10-15
Ryan K, Non-Executive Director	10-15	0	0	0	0	10-15
Warburton S, Chief Executive	170-175	0	0	0	50-52.5	220-225
Jones I, Director of Finance & Business Services	125-130	0	0	0	27.5-30	150-155
Cope T, <sup>1</sup> Medical Director	165-170	0	0	0	0-2.5	170-175
Smithson A, Deputy Chief Executive/ Integration Director	145-150	0	0	0	92.5-95	240-245
Brown D, Chief Nurse	110-115	0	0	0	50-52.5	165-170
Green S, Director of People & Corporate Affairs	105-110	0	0	0	25-27.5	135-140
Weston B, Acting Chief Operating Officer	60-65	0	0	0	30-32.5	90-95

<sup>1</sup> The clinical element to T Cope's role equates to £48k

## B) Remuneration 2016/17 (Audited by PwC LLP)

	Salary and Fees (bands of £5000)	All Taxable Benefits (Rounded to the nearest £100)	Annual Performance Related Bonuses (in bands of £5000)	Long Term Performance Related Bonuses (in bands of £5000)	All Pension Related Benefits (bands of £2500)	Total (bands of £5000)
	£000	£000	£000	£000	£000	£000
Goodwin N, Chairman	40-45	0	0	0	0	40-45
Clague J, Non-Executive Director	10-15	0	0	0	0	10-15
Herzog J, Non-Executive Director	10-15	0	0	0	0	10-15
Johnston T, Non-Executive Director	10-15	0	0	0	0	10-15
Wearne M, Non-Executive Director	0-5	0	0	0	0	0-5
Fillingham D, Non-Executive Director	10-15	0	0	0	0	10-15
Ryan K, Non-Executive Director	10-15	0	0	0	0	10-15
Warburton S, Chief Executive	165-170	0	0	0	250-252.5	420-425
Evans S, Medical Director	220-225	0	0	0	0	220-225
Jones I, Director of Finance & Business Services	120-125	0	0	0	192.5-195	315-320
Smithson A, Deputy Chief Executive/Chief Operating Officer	145-150	0	0	0	42.5-45	190-195
Firth N, Director of Nursing & Quality	55-60	0	0	0	37.5-40	95-100
Green S, Director of People & Corporate Affairs	105-110	0	0	0	37.5-40	145-150
Thomas A, Acting Director of Nursing & Quality	50-55	0	0	0	125-127.5	175-180

### Notes

D Brown commenced the role on 1 April 2017. S Green left the role on 31 March 2018. A Smithson relinquished the Chief Operating Officer post on 1 October 2017 but retained her Board position as Deputy Chief Executive to enable her to focus on the role of Integration Director. B Weston commenced the role on 1 October 2017. A Thomas commenced in the acting role from 1 October 2016 to 31 March 2017. N Firth left the role on 29 September 2016. S Evans left the Trust on 31 March 2017. J Herzog left the Trust on 31 March 2017.

## C) Pension Benefits (Audited by PwC LLP)

"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 in to 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."

	Real Increase in Pension at age 60 (bands of £2500)	Total Accrued Pension at age 60 at 31 March 2018 (bands of £5000)	Real Increase in related lump sum at age 60 (bands of £2500)	Related lump sum at age 60 at 31 March 2018 (bands of £5000)	Cash Equivalent Transfer Value at 31 March 2018 (To nearest £1000)	Cash Equivalent Transfer Value at 31 March 2017 (To nearest £1000)	Real Increase / (Decrease) in Cash Equivalent Transfer Value (To nearest £1000)	Employers Contribution to Stakeholder Pension (To nearest £100)
	£000	£000	£000	£000	£000	£000	£000	£000
Warburton S, Chief Executive	2.5-5	55-60	2.5-5	150-155	1,082	998	84	0
Jones I, Director of Finance & Business Services	2.5-5	35-40	0-2.5	85-90	623	558	65	0
Cope T, Medical Director	0-2.5	35-40	0	95-100	649	618	31	0
Smithson A, Deputy Chief Executive/ Integration Director	5-7.5	55-60	7.5-10	145-150	986	878	108	0
Brown D, Chief Nurse	2.5-5	25-30	2.5-5	70-75	472	401	71	0
Green S, Director of People & Corporate Affairs	0-2.5	10-15	0-2.5	25-30	210	177	33	0
Weston B, Acting Chief Operating Officer	0-2.5	30-35	0-2.5	75-80	472	439	33	0

As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits

accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme.

They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. 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.

Signed



**Steve Warburton**  
Chief Executive, 23 May 2018

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# 3

**Quality Report  
2017/18**

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## Part 1 – Statement on quality from the Chief Executive

Quality has been Aintree's watchword for many years and we have been ambitious in our quality improvement programmes under the umbrella of our Quality Strategy which we refreshed for 2017/18 to ensure we continued to embed our Quality Priorities to make care safer, more effective and improving the patient experience.

### What is a Quality Account Report?

The Health Act of 2009 sets out guidance in relation to the production of Quality Accounts. Each year the Trust reviews updated guidance published by NHS Improvement regarding the content required in the document. Aintree University Hospital's Quality Account for 2017/18 takes into account the guidance published on February 2018.

**The aim in reviewing and publishing performance about quality is to enhance public accountability by listening to and involving the public, partner agencies and, most importantly, acting on feedback received by patients, staff, families and carers. Aintree produces quarterly Quality Reports on the Trust's priorities to show improvements to quality during the year. This is so that Aintree can regularly inform people who work for the Trust, people who use the Trust's services, carers, the public, commissioners of NHS services, and local scrutineers of our quality initiatives and to encourage regular feedback.**

Aintree recognises how important it is that the information it provides about the quality of care is accessible to all. As a report to the public, this Quality Account, and 'easier read' accessible versions of the Quality Account and the Trust's Quality Reports, are published on Aintree's public website.

**However, as with the wider NHS, we are working in an increasingly more challenging environment with greater numbers coming to Aintree for treatment and also more patients requiring extra support due to their complex health needs and increased frailty and dependency. As a result, we have found it difficult to fully achieve our internal aspirational targets and, in certain instances, national standards.**

This report demonstrates what we achieved last year and outlines our plans for 2018/19, including our new two-year Quality Strategy, which aims to evolve and enhance our quality improvement journey.

Our biggest disappointment last year, however, was receiving a 'Requires Improvement' rating, following the inspection by the Care Quality Commission (CQC) in October 2017. Although the inspection team found much for us to be proud of, there were areas where we have to improve the quality of services for our patients and we are working quickly to do this. These areas include:

- **Safeguarding** – we have invested further in a team to support staff in clinical areas, further enhancing our procedures for the care of vulnerable patients
- **Governance** – we are improving those processes which support how we provide care at a consistently good standard, and ensure that lessons are learnt and shared across the Trust
- **Medicines management systems** – we are strengthening the ward-based pharmacy team to further improve practice in medicines management across the hospital.

Our plan to improve how we meet all of the required CQC standards will be delivered in the first half of 2018/19.

The key elements of our 2017/18 quality performance include:

- **Patient Safety Thermometer** – once again we have improved on our position and are providing harm-free care to over 97.7% of our patients, better than the national average
- **Major Trauma** – thanks in no small part to the contributions of the HELP Appeal, Aintree and the Walton Centre NHS Foundation Trust opened our new helipad which helps us continue to deliver excellent outcomes for patients across Cheshire and Merseyside. We remain ranked second in the country outside London for clinical outcomes
- **Infection Prevention & Control (IPC)** – we remain vigilant in our aim to reduce the number of patients contracting C.difficile and MRSA and we were delighted to be classed as the best Trust in the country for staff flu vaccinations. We continue to work hard to ensure all IPC standards are delivered in accordance with best practice
- **Advancing Quality** – we achieved the targets for all seven of the Clinical Focus Areas we participated in and are currently ranked number one in the North West for treating patients who present to our hospital with Acute Kidney Injury, Alcohol Related Liver Disease and Pneumonia

- **Patient and family engagement** – we continue to listen to what our patients and their families have to say about the services they receive and this will inform our Patient and Family Experience Strategy. This strategy will underpin the work that is planned for 2018/19 as we strive to deliver the best possible experience to all those who access our services.

Operational pressures continued throughout 2017/18 which had an impact on our ability to achieve a number of our key performance indicators including A&E, Referral to Treatment, Diagnostics and Cancer standards. However, we have still made improvements wherever possible so that our patients are not adversely affected:

- **A&E four-hour standard** – the support provided to us by our partners, the national Emergency Care Improvement Programme and by Ernst & Young, has led to improvements in our performance to treat 95% of patients within four hours in the Emergency Department
- **18 week Referral to Treatment** – this standard was directly impacted by the national directive to cancel elective operations due to winter pressures
- **Diagnostics** – this was a challenging standard for us to achieve mainly due to workforce capacity, particularly for provision of specialised investigations. The clinical teams have worked hard to make improvements and the position has now improved significantly



• **Cancer** – The Trust has worked closely with the Cancer Alliance, NHS England and with the clinical teams in order to improve delivery against required standards. As a result of this work, performance against the required standards has continued to improve

• **Inpatient Survey** – although the results of the 2017 Survey are not yet available, as in previous years, we will link any learning with the Staff Survey outcomes and also incorporate them into the development and implementation of our Patient and Family Experience Strategy in 2018/19

• **Staff Survey** – more members of staff engaged with this national survey in 2017 and we were pleased that a higher number would recommend Aintree as a place to work. We have improved in a number of areas although we recognise that there is still work to do, for example acting on concerns raised by patients/service users and the number and quality of appraisals undertaken. We fully recognise that for the Trust to deliver the quality of patient care we aspire to, our staff need to feel valued and be motivated so we are actively engaging with our staff to address their concerns

• **Incident reporting** – to improve our levels of patient safety incident reporting by the end of 2018-19, we are focussing on targeted but supportive interventions using the National Reporting & Learning System

• **Falls prevention** – Our aim was to achieve a continued reduction in inpatient falls and falls with harm. We achieved a 1.7% improvement in falls with harm against a 5% improvement target and continue work to improve all falls in the overarching 2018/19 action plan

• **Pressure ulcers** – we set ourselves improvement targets for 2017/18 for both Grade 2 and Grade 3+ pressure ulcers but did not meet either. A number of initiatives and work streams are in place to address this

• **Mortality** – the focus provided by our clinically-led mortality work streams has led to us reducing mortality levels by further developing care pathways and driving improvements to make care safer for our patients. As a result, we are now below expected levels for SHMI and HSMR and are within the expected range for crude mortality.

Despite the challenges we face, we remain committed to quality and moving closer to realising our strategic vision:

**“to be a leading provider of the highest quality health care”**

We reinforce our Trust values which ensure that our behaviours underpin our strong patient-centred culture at Aintree. Our vision and values are

reinforced by our staff who strive every day to achieve our common purpose of:

**“getting it right for every patient every time”**

I am proud of Aintree and our staff – all those who work for us are our biggest asset and we do our utmost to ensure they receive the support they need. In return, they give Aintree and our patients their hard work and dedication. We are also fortunate in receiving invaluable assistance from our many supporters, including volunteers, support groups, members and governors, who also help us to deliver our vision.

I confirm that, to the best of my knowledge, the information contained in this report is a true and accurate reflection of the services and outcomes that we have delivered.

**Steve Warburton**  
Chief Executive, May 2018

## Part 2 – Priorities for improvement and statements of assurance from the Board

### Part 2.1(i) Summary of progress against our quality improvement priorities for 2017/18

The Trust’s three overarching priorities for improvement in 2017/18 were set out in our one-year Quality Strategy (2017/18). These overarching priorities aim to make care safer, more effective and improve the patient experience.

Care that is Safe

Care that is Clinically Effective

Care that provides a Positive Experience for Patients and their families

The delivery of these overarching priorities is underpinned by a portfolio of key quality initiatives. During 2017/18 we have embedded a rigorous monitoring process for measuring the quality of

performance. This process is used to hold our services to account for the quality of care provided. Each indicator is monitored on a monthly or quarterly basis, as applicable, and performance is reported to the

Quality Committee and available on Aintree’s website. The indicators used to assess performance are the same as those used in the 2016/17 report and some new key quality goals have also been introduced as indicated.



Progress against our priorities for 2017/18 is set out below:

Patient Safety – protecting people who use services from harm and injury and providing treatment in a safe environment					
Objective	2014/15	2015/16	2016/17	2017/18	Progress
To reduce grade 2 pressure ulcers by 5%	69	63	61	64	Requires improvement
To eliminate grade 3 and 4 pressure ulcers	3	5	6	7	Requires improvement
Support the reduction of hospital acquired moisture lesions <sup>1</sup>				'Moisture or Pressure Tool' Guidance Sheet introduced	Achieved
To reduce the number of all inpatient falls with harm by 5%	720	554	421	425	Requires improvement
Reduce the number of inpatient falls leading to moderate harm and above by 5% <sup>1</sup>			40	38	Achieved
To reduce the number of Clostridium difficile infection (CDI) cases by 20%	41	35	27	43	Requires improvement
Reduce to zero Trust apportioned MRSA bacteraemias	2	2	1	1	Requires improvement
To reduce MSSA bacteraemias by 15%	19	25	37	26	Achieved
To reduce the incidence of missed critical/high risk medication doses by 50%		Review Baseline	Making progress	7% ↓	Requires improvement
Hospital Acquired Thrombosis (HAT) – improve our performance on VTE risk assessment in relevant patient groups <sup>1</sup>			93.1%	92.6%	Achieved
Ventilator Acquired Pneumonia (VAP) – Achieve >95% reliability with compliance against VAP care bundles <sup>1</sup>		Baseline data collected	Making progress	>95%	Achieved
The Deteriorating Patient – To reduce Central Line Associated Blood Stream Infections by 10%		Baseline taken	25	17	Achieved
To achieve 95% compliance for cardio-pulmonary resuscitation training and practice	52%	58%	84%	88.6%	Requires improvement
The Deteriorating Patient - Ensure that improvement in the monitoring and escalation of the deteriorating patient are sustained during 2017/18 <sup>1</sup> .			98.6%	96.3%	Requires improvement

<sup>1</sup> New key quality goal for 2017/18

Patient safety is one of our overarching priorities because occasionally patients will stay longer in hospital, or need additional monitoring or treatment as a result of care that has fallen below our usual standards. Sometimes, despite our best efforts, a patient may experience harm.

At Aintree, everyone endeavours to provide the highest standard of care and we encourage our staff to voluntarily report any patient safety issues so that we can learn from our mistakes. The progress report on our portfolio of patient safety initiatives demonstrates that we have worked with patients and their families to reduce avoidable harm and improve outcomes.

Clinical Effectiveness – providing care and treatment to people who use services that improve their quality of life.

Objective	2014/15	2015/16	2016/17	2017/18	Progress
Nutrition and Hydration – Achieved 95% reliability in the completion of the malnutrition universal screening tool (MUST). Implemented updated fluid balance guidance and a new fluid balance chart which is based on National best practice and NICE guidance <sup>1</sup>	90.7%	90.12%	93.07%	<95%	Requires improvement
To achieve the Advancing Quality composite process score (CPS) of 90.3% for patients with Acute Kidney Injury		Began June 15 50.2%	71.8%	92.8%	Achieved
To achieve the Advancing Quality CPS <sup>1</sup> of 94.5% for patients with Alcohol Related Liver Disease	Began Jan 15 56.9%	50.6%	75.4%	94.9%	Achieved
To achieve the Advancing Quality CPS <sup>1</sup> of 87.9% for patients with Diabetes	33.1%	50.3%	58.2%	88.2%	Achieved
To achieve the Advancing Quality CPS <sup>1</sup> of 78.4% for patients who have fractured their hip	2.2%	13.6%	21.8%	78.6%	Achieved
To achieve the Advancing Quality CPS <sup>1</sup> of 95% for patients receiving hip & knee surgery	89.9%	99.2%	82.9%	96.8%	Achieved
To achieve the Advancing Quality CPS <sup>1</sup> of 95% for patients with pneumonia	78.1%	71.5%	75.6%	95.0%	Achieved
To achieve the Advancing Quality CPS <sup>1</sup> for 93% for patients diagnosed with Sepsis.	72.6%	79.3%	77.1%	93.2%	Achieved
Achieve the standard: >90% of patients diagnosed with Community Acquired Pneumonia (CAP) to receive appropriate antibiotics within 4 hours of arrival in the Trust and achieved a downward trend in pneumonia mortality		72.4%	78.1%	80.3%	Requires improvement
Fully embed the elements of the Sepsis 6 care bundle	Making progress	Making progress	Making progress	Achieved	Achieved
Improve the recognition and management of Acute Kidney Injury (AKI)		Achieved	Achieved	Achieved	Achieved
Fully embedded all the elements of the AMBER care bundle across the Trust	Achieved	Achieved	Achieved	Achieved	Achieved

<sup>1</sup> New key quality goal for 2017/18

Clinical effectiveness is one of our overarching priorities. This is because there is evidence of inconsistency in the delivery of clinical care; some patients receive the best

care but some patients do not receive all the components of best practice care; this applies to both inpatient and outpatient services.

The Institute for Healthcare Improvement has developed the concept of “care bundles” to help health care providers deliver the best possible care for patients reliably. A care bundle is a defined list of (evidence based) interventions which if implemented should improve the process of care and the patient outcome. The progress report on our portfolio of patient safety initiatives demonstrates that we have reduced mortality in a number of clinical scenarios: this includes the deteriorating patient, acute kidney injury, sepsis and pneumonia. This has been

achieved through the work of the enhanced outreach support team and the avoidable mortality reduction “work streams”.

For Advancing Quality a decision has been made by the Advancing Quality Alliance to use the Composite Process Score (CPS) as a means of measuring performance in 2017/18. Furthermore the Chronic Obstructive Pulmonary Disease (COPD) clinical focus area was removed from the programme during this year.

**Patient Experience** – ensuring that people who use services have a positive experience of their care and providing treatment with compassion, dignity and respect.

Objective	2014/15	2015/16	2016/17	2017/18	Progress
Maintain a position within the top 25% of participating Picker Institute organisations measuring patient experience via the 2017 National Inpatient Survey	2nd Quartile	Most improved Acute Trust	Position 26.5%	2nd Quartile	Requires Improvement

A positive patient and family experience is of great importance to us. We understand that many of our patients often undergo life changing diagnoses and treatments, and it is our ambition to make their experience the best that it can possibly be.

Whilst the actions have been delivered from the patient experience plan, the Trust has not maintained its ranking within the top 25% of Picker organisations in the National Inpatient Survey. This may, in part, be due to a change in data set used for 2017/18, and the number and breakdown of acute and specialist Trusts using Picker to undertake the National Inpatient Survey.

As part of the development of the ‘Patient and Family Experience Strategy’ we asked staff, patients and families for their views and these will be incorporated into the strategy and the delivery plan. The Strategy will drive improvements in Patient and Family Experience and will include a review of the methods used to monitor and evaluate patient experience within Trust services. The Strategy will be launched in 2018/19 and include key milestones for monitoring implementation.

**Enabling Initiatives**

Objective	2014/15	2015/16	2016/17	2017/18	Progress
Progressed with staff training and uptake of projects via AQUIS (Aintree Quality Improvement system) <sup>1</sup>				188 staff trained, 110 improvement projects ongoing	Achieved
Successfully increase incident reporting & align Trust incident reporting figures to those of similar Trusts <sup>1</sup>				Making progress	Requires improvement

There has been an increase in incident reporting during 2017/18. However the Trust reporting figures remain lower than those of similar Trusts. There has been a notable increase in never events in 2017/18 and; therefore this has been included as a priority area for action and improvement in “Aintree Quality Improvement Programme” (AQIP).

**As part of the action to reduce the number of never events the Trust will:**

- Develop a new guideline document for the implementation of National Safety Standards for Invasive Procedures (NatSSIPs) and Local Safety Standards for Invasive Procedures (LocSSIPs)
- Monitor the implementation of NatSSIPs and LocSSIPs
- Design and present a NatSSIPs’ training package to key staff.

These actions should be completed by September 2018.



## Part 2.1(ii) Priorities for improvement in 2018/19

The Trust's Quality Strategy for 2018 – 2020 reinforces the three overarching priorities for improving patient care. These overarching priorities aim to ensure that care delivered by the Trust is safer, more effective and provides a positive patient experience.

### Priority 1: Care that is Safe

We will focus on ensuring compliance with CQC fundamental standards of care. This will include safeguarding those patients who are the most vulnerable.

The delivery of these priorities will be underpinned by a portfolio of key quality goals as set out below.

#### Key Quality Goals:

- Care that is safe – CQC fundamental standards of care.
- Care that is safe – Safeguarding processes.
- Care that is safe – Mental Health Act compliance.
- Care that is safe – Preventing and learning from harm.
- Care that is clinically effective – Acute and emergency care pathways.
- Care that is clinically effective – Responsiveness to the deteriorating patient.
- Patient experience – Positive Patient and Family experience and delivery of patient centred care through a focus on asking our patients "What Matters to you?"

### Priority 2: Care that is Clinically Effective

We will focus on the delivery of timely, responsive and reliable care; particular emphasis will be given to our urgent and emergency care pathways and the deteriorating patient.

### Priority 3: Care that provides a positive experience for patients and their families

We will focus on improving the delivery of patient and family centred care.

#### Enablers

- Building Staff Capability  
The delivery of our key quality goals will be supported by promoting access and uptake of staff training on quality improvement knowledge and skills to bring about change in practice to embed continuous improvement.

Care that is safe	
Topic	Aim: By 31 March 2020 we will have...
CQC fundamental standards of care	<ul style="list-style-type: none"> <li>• No regulatory concerns or warning notices in place</li> <li>• Reduced the number of outliers identified by the CQC in their Insight data</li> <li>• Produced a biannual core service report identifying compliance with CQC fundamental standards</li> </ul>
Safeguarding processes	<ul style="list-style-type: none"> <li>• To be compliant with Section 11 of the safeguarding audit.</li> </ul>
Mental Health Act compliance	<ul style="list-style-type: none"> <li>• Audited and monitored compliance against relevant Mental Health Act Standards</li> <li>• Had the policy, training and Service Level Agreement updated.</li> </ul>
Preventing and learning from harm	<ul style="list-style-type: none"> <li>• Improved incident reporting so the Trust is in the highest quartile</li> <li>• Seen a reduction in serious incidents.</li> </ul>

Care that is clinically effective	
Topic	Aim: By 31 March 2020 we will have...
Urgent and emergency care pathways	<ul style="list-style-type: none"> <li>• Improved our consistency of triage</li> <li>• Embedded effective 'Pitstop' of patients within majors department</li> <li>• Implemented the required actions following the demand and capacity review</li> <li>• Implemented and embedded the SAFER flow bundle across all wards</li> <li>• Completed a review of the rota's to maximise workforce skills to match demand in ED and assessment areas</li> <li>• Implemented direct transfer of appropriate patients to all assessment areas</li> <li>• Implemented agreed pathways in specialties to ensure 'right patient to right bed'</li> <li>• Embedded use of Medworxx and full utilisation of the SAFER metrics dashboard to review performance.</li> </ul>
Responsiveness to the deteriorating patient	<ul style="list-style-type: none"> <li>• Improved performance in the delivery of care bundles for patients on a non-elective care pathway</li> <li>• Improved responsiveness to the deteriorating patient as monitored via MEWS compliance.</li> </ul>

Patient experience	
Topic	Aim: By 31 March 2020 we will have...
Positive and family centred care	<ul style="list-style-type: none"> <li>• Delivery of Patient and Family Experience Strategy and key milestones</li> </ul>

Enabling Initiatives	
Topic	Aim: By 31 March 2020 we will have...
Building Staff Capability	<ul style="list-style-type: none"> <li>• Progressed with staff training and uptake of projects via AQUIS (Aintree Quality Improvement System)</li> </ul>

#### How progress to achieve the quality improvement priorities will be reported:

The Trust's Board of Directors will approve the Quality Strategy for 2018 – 2020. Progress against this plan will be reported to the Quality Committee. It will also be shared widely with governors, members, local groups and organisations as well as the public.

#### How the views of patients, the wider public and staff were taken into account:

The key quality goals were agreed by taking into account the views of:

- People who use the Trust's services and carers, for example through receipt of feedback through activities such as the Friends and Family Test, patient and carer surveys.

- Staff and senior clinicians, for example through discussion at the Trust's Divisional governance meetings.

- Governors and Foundation Trust Members through Quality Account Meetings and the governor-led Quality of Care Committee.

- Commissioners of NHS services, through contract negotiation and monitoring processes.

- Local Healthwatch through feedback from visits to services, at quarterly informal meetings and via the Patient Experience Executive-led Group.

- Stakeholders and the wider public, for example through activities such as Quality Priorities Engagement Events.

## Part 2.2 Statements of Assurance from the Board

To assure the public that we are performing to essential standards, providing high quality care, measuring clinical process and are involved in initiatives to improve quality, we offer the following statements:

Common content for all Quality Accounts nationally is contained in a double line border like this.

### Information of the review of services

During 2017/18 Aintree University Hospital NHS Foundation Trust provided and/or sub contracted 39 relevant health services. Aintree University Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in 39 of these relevant health services. The income generated by the relevant health services reviewed in 2017/18 represents 100% of the total income generated from the provision of relevant health services by Aintree University Hospital NHS Foundation Trust for 2017/18.

### Information on participation in clinical audits and national confidential enquiries

During 2017/18, 38 national clinical audits and 4 national confidential enquiries covered relevant health services that Aintree University Hospital NHS Foundation Trust provides. These are listed in full in Annex v. During that period Aintree University Hospital NHS Foundation Trust participated in 92% National clinical audits and 100% National confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Aintree University Hospital NHS Foundation Trust participated in, and for which data collection was completed during 2017/18, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Audit/Enquiry	Number of cases submitted
BAUS Urology Audits – Percutaneous Nephrolithotomy (PCNL)	10 (No requirement data)
BAUS Urology Audits – Urethroplasty Audit	43 (65.6%)
Cardiac Rhythm Management (CRM)	208 (100%)
ICNARC Case Mix Programme (CMP)	1340 (100%)
Elective Surgery (National PROMs Programme)	
Pre-operative	629 (99.1%)
Post-operative	626 (98.9%)
Endocrine and Thyroid National Audit	416 (100%)
Falls and Fragility Fractures Audit programme (FFFAP) – Inpatient falls	30 (100%)
Falls and Fragility Fractures Audit programme (FFFAP) – National Hip Fracture Database	301 (100%)
Fractured Neck of Femur (care in emergency departments)	50 (100%)
Head and Neck Cancer Audit (HANA)	1321 (100%)

Audit/Enquiry	Number of cases submitted
Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit.	136 (90.6%)
Learning Disability Mortality Review Programme (LeDeR)	0% (No cases requested)
Major Trauma Audit	834 (100%)
Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Acute Heart Failure	2 (100%)
Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Cancer in Children, Teens and Young Adults	1 (100%)
Medical and Surgical Clinical Outcome Review Programme (NCEPOD)	11 (92%)
Perioperative diabetes	Study remained open at 31 March
Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Pulmonary embolism	1 (100%)
Myocardial Ischaemia National Audit Project (MINAP)	393 (100%)
National Audit of Breast Cancer in Older People (NABCOP)	In progress
National Bowel Cancer (NBOCA)	282 (100%)
National Cardiac Arrest Audit (NCAA)	81 (100%)
National Chronic Obstructive Pulmonary Disease (COPD) Audit programme – Pulmonary rehabilitation	13 (100%)
National Chronic Obstructive Pulmonary Disease (COPD) Audit programme – Secondary Care	904 (100%)
National Comparative Audit of Blood Transfusion programme – Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients	34 (100%)
National Comparative Audit of Blood Transfusion programme – National Comparative Audit of Transfusion Associated Circulatory Overload (TACO)	40 (100%)
National Diabetes Audit – Foot Care Audit	102 (100%)
National Diabetes Audit – Inpatient Audit (NaDia)	99 (100%)
National Diabetes Audit – Core Diabetes Audit	1020 (100%)
National Emergency Laparotomy Audit (NELA)	180 (100%)
National Heart Failure Audit	750 (154%)
National Joint Registry (NJR)	658 (100%)
National Lung Cancer Audit (NLCA)	281 (100%)
National Oesophago-gastric Cancer (NOGCA)	60 (100%)
National Ophthalmology Audit – Adult Cataract surgery	1623 (93.3%)
National Prostate Cancer Audit	217 (100%)
Procedural Sedation in Adults (care in emergency departments)	8 (100%)
Sentinel Stroke National Audit programme (SSNAP)	159 (100%)
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	12 (No requirement data)
UK Parkinson's Audit: (incorporating Occupational Therapy Speech and Language Therapy, Physiotherapy Elderly care and neurology)	25 (100%)

## Actions arising as a result of national and local audits

The Trust Board has delegated authority for clinical audit to the Trust's Clinical Effectiveness Executive-led Group. Through this delegation, the reports of 11 national clinical audits were reviewed by the provider in 2017/18

and Aintree University Hospital NHS Foundation Trust intends to take actions listed in the table below to improve the quality of healthcare provided.

### 2643 National Anaesthetic Audit Project 5: Accidental Awareness under General Anaesthesia (AAGA)

- Internal department alert issued to all staff to address sedation and record keeping

### 2656 National Sentinel Stroke National Audit Programme - Includes SINAP

- Move stroke outliers with the same urgency as AED patients
- NIHSS to be completed for all probable stroke patients as soon as possible after admission/stroke diagnosis
- Aim is to scan 50% of stroke patients within one hour
- If there is only one bed on the unit and a stroke patient requiring it they should be admitted (the bed should not be reserved for potential thrombolysis)
- A "move list" /step down list should be developed and updated daily identifying patients who could move out of the stroke unit if required. This should be available for the ward and bed management team during evenings and weekends when there is no consultant available
- Speech and Language Therapist to record initial swallow assessment
- To explore solution of Electronic Joint health and social care assessment record. To look at Sigma templates
- If patients are not thrombolysed the reasons why need to be clearly stated on SSNAP
- The stroke clinician communication board needs to be clear on which patients are outliers and which need follow-up only
- Team to meet bed management to discuss stroke pathway
- All strokes and probable strokes to be moved to unit as soon as possible after admission
- Full protocol for 4 hour admission
- Ensure all stroke ward referrals are seen as soon as possible and with the same urgency as AED referrals
- If patient is a clear stroke patient then to move urgently and not wait for consultation review

### 2756 National: Lung Cancer

- Implement Lung Cancer Nurse Specialist

### 2826 Sentinel Stroke National Audit Programme - Includes SINAP (SSNAP) (OLP008) Long Term Set

- Improved access to stroke beds – full protocol developed. HSAU developed (ring-fenced)
- Stroke Guidelines to be updated to include latest Royal College of Physicians Guidance
- Stroke Business Case to be resubmitted to Board – further bed modelling to be completed
- Regular Review of SSNAP data

### 2919 National Ophthalmology Audit

- Ensure all co-morbidities are documented in Medisoft. Take time to review records and enter the data electronically

### 3191 National Audit of Dementia

- Meeting with the chief nurse to develop dementia champions.
- Development of dementia and delirium screening in the new EPR system.

### 3241 College of Emergency Medicine: Severe Sepsis and Septic Shock

- To implement a new sepsis proforma to ultimately improve sepsis management within our patients admitted to Aintree.

### 3345 National: Diabetes Foot care

- Additional staffing resource has been identified which will enable the service to provide more emergency and new patients appointments for patients, as well as increasing flexibility of available capacity to respond to service need.

### 4889 RCR National Audit of the Provision of Imaging of the Severely Injured Patient

- Improved percentage of provisional reports scanned onto Clinical Radiology Information System (CRIS)
- Review national results when available. Discuss further changes if our results significantly differ from other major trauma centres.

### 5003 Re-Audit: College of Emergency Medicine: Severe Sepsis and Septic Shock

- Implementation of a sepsis team in AED – Sepsis bay created. Pit-stop team (including Consultant/ middle grade) assesses the patient and puts plan of investigations and treatment in motion

### 5062 National Audit of Emergency Laparotomies 2016

- Develop App based system for data entry and analysis

In addition, the reports of 192 local clinical audits were reviewed by the provider in 2017/18 and Aintree University Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

### 3198 Documentation Audit 2015

- Invite a member of Support Service to join the Clinical Records Group
- Present the findings of this audit to the Clinical Records Group
- To discuss and agree that an annual audit using the same methodology and standards is to be used in future Trust wide record keeping audits
- Cascade results of audit to all relevant areas to make them aware of overall Trust performance (within each discipline)
- Meeting between key discipline representatives to be held and revised Clinical Records Management Policy to be approved

### 3290 Documentation Audit 2016

- Countersignature standard (re AHPs) to be reviewed and any changes agreed. Record Keeping Policy to be updated and approved to reflect changes agreed
- Nursing to add any areas for improvement to their existing record keeping action plan
- IG Toolkit level within the Trust to be agreed against the standard – "A multi professional audit of clinical records across all specialties has been undertaken"
- Therapy section of audit tool to be revised

### 3296 Medical Devices – Training

- Assessment and Rehabilitation Day Unit to have a designated Medical Devices folder containing all their Medical Devices Policy compliance paperwork
- Clinical Laboratories to train and competency assess (completing relevant documentation) all staff in the Fracture Clinic regarding the use of blood glucose monitors
- A communication to all consultant grade staff to be sent by the Medical Director advising them of the requirement to document their medical devices training and competency
- Email regarding medical devices compliance to be sent to Divisional Medical Directors
- Future re-audit to include assessment of previous versions of competency forms that are currently in use
- To ensure that competency statements are fully completed and to be communicated clearly to all staff via "All About Aintree" asking them to rectify any gaps in their documentation as soon as possible and line managers are to enforce this support
- Each training grade doctor to be trained and assessed as competent in the medical devices they are expected to use when undertaking their role. All documentation evidencing this to be fully completed and available for audit

- Local Area Matrix and Practitioner Summary Sheets to be implemented in ARDU, Ward 10, Ward 17, Ward 19 and Critical Care
- Those staff identified with the incorrect competency form to complete the correct rated risk form and withdraw incorrect form
- To ensure that competency is reassessed and documented annually. To be communicated clearly to all staff via "All About Aintree" asking them to rectify any gaps in their documentation as soon as possible and line managers are to enforce this
- Divisional Directors of Nursing to share report with Matrons requesting that they advise their local areas of shortfalls in medical device documentation. Matrons to monitor local area compliance. Issue to be raised at Medical Devices Committee
- Communication to be sent to the Clinical Director of AED, Matron and Nominated member of staff requesting that action is taken to ensure that all competency statements are countersigned
- Medical Devices Safety Compliance Co-ordinator to review AED competency
- Coronary Care Unit to update and include all risk devices on their local area matrix
- Ward 4 to implement the Medical Devices Policy training and competency evidence folder.

### 3454 A Retrospective Analysis of Missed VTE Assessments in April 2015 at Aintree University Hospital Trust; a re-audit of data 6 months post intervention.

- Trust to introduce new electronic system
- Improved education/audit /feedback for all clinical staff
- Standardised ward pro-forma required to be introduced. We are awaiting result of pilot action. If the pilot is satisfactory the process is to be rolled out across the Trust

### 4881 Audit to determine if patients have access to relatives and carers at a time when they need it

- To explore the feasibility of a standardised quiet hour/ protected meal times across the organisation
- Patient experience team to offer education/ supportive visits to each ward

### 2449 Clinical Audit of Malnutrition Universal Screening Tool Assessment

- Nutrition and Hydration improvements to be progressed with joint dietetic and nursing leads. Following updated NICE guidance this will culminate in a joint work stream aimed at improving the Trust fluid balance guidance and developing a new chart

#### 2482 Re-audit Monthly Modified Early Warning System (MEWS Audit)

- Discussion currently in place in relation to changing Aintree's MEWS to the NEWS scoring system
- Ward managers to ensure all staff whom perform and document MEWS do so accurately and complete competency assessment
- Staff educated regarding the importance of checking all parameters
- Ward feedback- importance of RN countersignature
- Ongoing dissemination of information via monthly e-mail with link to the individual audit results on aBI

#### 2848 Clinical Audit of the use of Gentamycin at Aintree University Hospital

- Access to nurse handover sheets on the I-drive could be obtained whereby pharmacists could request levels to be taken for specific patients
- Antibiotic guideline cards could be re-designed to emphasise the need for pharmacy contact when prescribing gentamicin
- An alert on JAC prescribing could be incorporated requesting prescribers to contact pharmacy when they prescribe gentamycin

#### 2975 Antibiotic Prescribing in Neutropaenic Sepsis

- Patient group directive (PGD) to be developed to allow nurses to give the first dose of antibiotics without a prescription for this patient group.
- Teaching sessions on neutropenic sepsis to be arranged
- To train more nurses and AED nurses in the techniques for taking a blood cultures

#### 3082 Review of both completeness and knowledge of anaesthetic Standard Operating Procedures within anaesthetic directorate

- Locations of SOP files have been expanded to include ALL areas where a general anaesthetic is administered
- Individuals in each area now have responsibility for updating the guidelines on an annual basis and it is included in the induction pack for all new staff

#### 3114 Falls NICE Guidance

- To consider the use of a validated assessment tool and whether this can be incorporated into the baseline assessment. It is accepted that it is unlikely that the Therapy team would have the capacity to carry out this assessment at home for every patient admitted with a fall but incorporating this tool into the inpatient assessment would allow for assessment of risk and advice to be given to the patient and/or their relatives or carers
- To review Therapy documentation to ensure that it is clearly documented when a home hazard assessment has been complete.
- There has been education of Therapy staff on the NICE guidelines for falls to increase awareness of their role and to focus their goal setting and treatment planning around falls. They have also had advice on stating clearly on the Aintree at Home referral if a home hazard assessment is required

#### 3140 Do Not Attempt Cardiopulmonary Resuscitation Decisions

- To re-educate junior doctors on putting into their management plans a ceiling of care or UDNACPR (with discussion)
- To have a Box in the senior summary review that states "ceiling of care?" or "UNDACPR" followed by "Has record of discussion of UDNACPR been made?"
- Discussions to be held about including the 'ceiling of care' box to the ward round proformas
- Discuss with current junior doctors in teaching sessions and present audit to the new Foundation Year 1 students

#### 3201 Assessment and Management of ANCA Vasculitis According to NHS England and NICE Guidelines

- Recording of patient data in UK-IVAS registry for audit and research purposes.
- Urgent assessment of vasculitis patients in outpatients/ triaging referrals and provision of hot/ urgent patient slot in consultant clinics – one slot/ consultant during the on-call week.

#### 3220 Expected Date of Discharge

- Develop and introduce an 'Expected Date of Discharge Policy' for the Trust
- Through departmental meetings and during induction of staff highlight the need for clear documentation on why an expected date of discharge decision cannot be made at the early stage of a patient's admission to hospital
- Re-education of the AMU senior staff regarding the National Institute of Health Research and Department of Health guidelines, through departmental meetings and during induction of staff

#### 4468 Compliance with Enteral Feeding Prescription Chart on Critical Care

- Changes to be made where documentation is kept within medical notes to aid compliance by nursing staff in documentation and signing the enteral prescription chart to ensure patients receive correct feed and reduce risk of wrong feed or wrong rate of feed given to the patients

#### 4474 Delayed / Lost to Follow Up in Medical Retina

- Review the means of indicating the clinical priority given to appointments on the booking system. (Referral to Treatment (RTT) form being reviewed)
- Designated person (age-related macular degeneration tracker) to regularly identify the number of patients currently awaiting follow-up in Medical Retina and confirm the capacity for outpatient appointments and any specialist investigations
- Prioritise reviews according to clinical need
- In case of longer absence of AMD tracker, ensure responsibility being delegated

#### 4478 Surviving Sepsis

- Local education to take place
- Sepsis trolleys to be relaunched
- On-going education and relaunch of sepsis bundle.
- New sepsis screening tool being developed to encourage identification
- Re-audit after relaunch and education on AMU
- Recommend the re-launching of the local sepsis campaign bundle
- Improve availability of sepsis bundle stickers in the Accident and Emergency Department and Acute Medical Unit
- Introduction of pit-stops and effective triage to identify sepsis early

#### 4494 An assessment of the current quality and rate of compliance of the management of unprovoked Venous Thromboembolism (DVT & PE) beyond the first 3 initial months at AUH

- Team to draft the new protocol and issue to assurance group for approval and ratification.
- Review of Clinic letters to be included in the next audit to ensure change has been captured.
- Communication and monitoring process of all cases, to ensure that all reviews are fully documented

#### 4609 A re-audit of pain management following major trauma from the Emergency Department (ED) to Ward

- Implementation of Trauma Network Booklet with included pain score box for use in ED
- Continuing education particularly focused on introductory sessions for new Anaesthetists/Critical Care doctors/ED staff

#### 4656 Post-Operative Anaemia and Acute Kidney Injury

- Develop a protocol for iron transfusion in fracture neck of femur patients
- Liaise with the renal team and blood transfusion nurse to develop a protocol for prevention and management of AKI in emergency fracture neck of femur patients

#### 4736 Improving the medical assessment, documentation and management of inpatient falls through the development of an inpatient falls proforma

- Trust wide implementation of the proforma
- Distribution of the audit results at Grand Round
- Development of an educational programme for foundation doctors on assessing and managing inpatient falls including use of the proforma

#### 4924 Documentation of driving and compliance with DVLA regulations in diabetes outpatient clinic records

- Educate and encourage health care professionals to discuss and document on hypoglycaemic unawareness and driving related issues
- Patient education programme on impaired hypoglycaemia awareness – combined programme with Royal Liverpool Hospital
- Diabetes and Driving leaflets to be updated

#### 4966 An audit to assess the appropriateness of DNACPR decisions and quality of documentation

- All clinicians working on AMU to be notified of the results of this audit to improve their documentation of DNACPR decisions
- The audit will be discussed at the next Trust Mortality Group meeting and an email will be subsequently circulated
- Periodic reminders from senior AMU staff for clinicians to focus on the quality of their DNACPR documentation

#### 5002 Sepsis Re-audit (Jan 2017) of compliance with the sepsis bundle

- To allocate a dedicated area for initial assessment and treatment of sepsis patients
- Ideal Body Weight chart readily available in assessment areas to include AED/AMU/AEC
- Up to date proforma in line with NICE guidance

#### 3142 Regional Audit of Hydration at the End of Life

- Ensure staff trained in assessment of hydration-including in end of life care teaching
- An updated multidisciplinary End of Life Care Plan is planned for launch in the acute Trust. This will involve the development of an individual plan of care, concerning hydration and nutrition. Ongoing review of this is planned

#### 4587 NHS Bowel Cancer Screening Programme (BCSP): qualitative and quantitative assurance audit of CT colonography practice

- Improve bowel preparation: A new bowel preparation has been introduced, including citrafleet depending upon age and co-morbidities of patients
- Reach 100% target for coding: All reporting CTC radiologists to ensure all BCSP CTCs are coded with summary and extra colonic codes. This information has been disseminated to the department
- CTCs are an invasive study. At present only verbal consent is obtained. However, written consent forms are to be introduced to ensure patients are aware of the risks and potential complications from undergoing a CTC
- Improve bowel distention: Change method of imaging from prone supine to lateral decubitus supine to improve distention



### Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by Aintree University Hospital NHS Foundation Trust in 2017/18 that were recruited during that period to participate in research approved by a research ethics committee was 3,300.

Participation in clinical research demonstrates Aintree's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff stay abreast of the latest possible treatment possibilities and active participation in research leads to successful patient outcomes.

Aintree was involved in conducting 327 clinical research studies in 33 Clinical areas during 2017/18. There were over 100 clinical staff participating in research approved by a research ethics committee at Aintree during 2017/18. These staff participated in research covering 33 medical specialities.

As well, in the last three years, over 100 publications have resulted from our involvement in National Institute for Health Research, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS.

Our engagement with clinical research also demonstrates Aintree's commitment to testing and offering the latest medical treatments and techniques.

### Use of CQUIN framework

A proportion of Aintree University Hospital NHS Foundation Trust income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between Aintree University Hospital NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2017/18 and for the following 12 month period are available electronically at [www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/](http://www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/)

During 2017/18 the total income associated with the achievement of quality improvement and innovation goals amounted to £5.9m. Aintree University Hospital NHS Foundation Trust received £5.9m income for the associated payment in 2017/18.

An overview of the initiatives and performance during 2017/18 is outlined in the table overleaf.

CQUIN	Target	Achievement (provisional results)
Improving Staff Health and Well-being	Improvement of staff health and well being Healthy food for NHS Staff, visitors and patients Improving the uptake of flu vaccinations for front line staff	Partial Achievement
Reducing the Impact of Serious Infections (Antimicrobial Resistance and Sepsis)	Timely identification of sepsis in emergency departments and acute inpatient settings Timely treatment of sepsis in emergency departments and acute inpatient settings Assessment of clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours Reduction in antibiotic consumption per 1,000 admissions	Partial Achievement
Improving Services for People with Mental Health Needs who Present to A&E	Reduce by 20% the number of attendance's to A&E for patient's within a selected cohort of frequent attendee's who would benefit from mental health and psychosocial interventions Delivery milestones to be achieved	Achieved
Offering Advice and Guidance	Advice and guidance services operational for specialities covering at least 35% of total GP referrals Delivery milestones to be achieved	Achieved
NHS e-Referrals	100% of referrals to first outpatients services able to be received through e-RS. Delivery milestones to be achieved	Partial Achievement
Supporting Proactive and Safe Discharge	Submission of the new emergency care data set (ECDS) from 1st October 2017 2.5% point increase in the number of patients aged 65+ discharged to their usual place of residence within 3 – 7 days of admissions Delivery milestones to be achieved	Partial Achievement
Adult Critical Care Timely Discharge	60% of patients discharged from critical care within 4 hours of being clinically ready for discharge to a ward bed	Achieved
Nationally Standardised Dose-banding for Adult Intravenous Anticancer Therapy (SACT)	Collection of baseline-data for the range of drug doses that are to be standardised as agreed with the commissioner Local Drugs & Therapeutics Committee have agreed and approved principles of dose standardisation and dose adjustments required Targets to be agreed for end of year achievement in relation to the % of doses standardised per drug Trust agreement and adoption of standard product descriptions for individual chemotherapy drugs	Achieved
Hospital Medicines Optimisation	Faster adoption of prioritised best value medicines as they become available Improving drugs minimum data set data quality Cost effective dispensing routes Improving data quality with outcome databases (SACT and Intravenous Immunoglobulin Treatment)	Achieved
Multi-system Auto-immune Rheumatic Diseases MDT Clinics, Data collection and Policy Compliance	Initiation of hub and spoke network arrangements to review treatment plans of specialised rheumatology patients All specialised rheumatology patients to be discussed by a multi-disciplinary team and have an outcome recorded Patients' treatment plans to comply with national policies and clinical information is collected on national disease registries to determine the impacts of the network and commissioning policies	Partial Achievement
Local Clinical Utilisation Review CQUIN	Comparison of local data flows available from 'Purple to Gold' Agree and implement critical steps to facilitate use of 'Purple to Gold' data Operationalising agreed software system Reporting of internal and external delay themes	Partial Achievement
Diabetic Eye Screening, Bowel Screening and Dental Services	Staff health and well-being support Improving staff engagement Deliver new integrated dental service pathways and patient centred care	Achieved

## Registration with the Care Quality Commission

Aintree University Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is Requires Improvement.

The Care Quality Commission has taken enforcement action against Aintree University Hospital NHS Foundation Trust during 2017/18. This relates to Regulation 11 HSCA (RA) Regulations 2014 Need for Consent.

Aintree University Hospital NHS Foundation Trust has participated in an announced inspection between 3 and 6 October 2017 and between 25 and 26 October 2017. The Trust has received a rating of Requires Improvement following this inspection and has developed a comprehensive action plan to address the concerns that were identified.

This action plan, the Aintree Quality Improvement Programme (AQuiP) will be monitored on a monthly basis to ensure that identified actions have been implemented and that these actions are having the required improvement affect. There are 6 domains included within the AQuiP each of which includes a number of specific focus areas:

Domain	Focus Area
Governance and process for internal control	Service Improvement Compliance against national standards including surgical checklists Records management Infection prevention and control Medicines management Equipment and facilities
Safeguarding and Mental Capacity Act	Processes Safeguarding training
Care Pathways	Patient access Acute and emergency care patient flow Clinical assessment End of life care Dermatology Asthma Stroke Cardiology
Preventing and Learning from harm	Risk assessment and mitigation Incident reporting Learning from harm Deteriorating patient
Workforce	Workforce capacity Workforce capability Workforce cultures
Patient Experience	Patient experience and dignity

Aintree University Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is Requires Improvement. Aintree University Hospital NHS Foundation Trust has the following conditions on registration. Following a Care Quality Commission announced inspection in October 2017 the Trust requires improvement related to 5 regulations:

- Regulation 9 HSCA (RA) Regulations 2014 Person-centred care
- Regulation 10 HSCA (RA) Regulations 2014 Dignity and respect
- Regulation 12 HSCA (RA) Regulations 2014 Safe care and treatment

- Regulation 13 HSCA (RA) Regulations 2014 Safeguarding service users from abuse and improper treatment
- Regulation 18 HSCA (RA) Regulations 2014 Staffing.

The Care Quality Commission has taken enforcement action against Aintree University Hospital NHS Foundation Trust during 2017/18. This relates to Regulation 11 HSCA (RA) Regulations 2014 Need for consent. Aintree University Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

The table below shows the CQC ratings grid for the services provided at the Trust following the last full inspection in October 2017. The Trust is working with the CQC to implement a significant improvement plan that will evidence substantial changes in practice since the Trust was last inspected.



## Information on the quality of data

NHS Number and General Medical Practice Code Validity

Aintree University Hospital NHS Foundation Trust submitted records during 2017/18 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

- Which included the patient's valid NHS Number was:
  - 99.9% for admitted patient care;
  - 99.9% for outpatient care; and
  - 98.2% for accident and emergency care
- Which included the patient's valid General Medical Practice Code was:
  - 100% for admitted patient care;
  - 100% for outpatient care; and
  - 99.9% for accident and emergency care

## Information Governance Toolkit attainment levels (Information Governance)

Aintree University Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2017/18 was 70% and was graded Green, Satisfactory.

## Clinical coding error rate

Aintree University Hospital NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during April 2017 to March 2018 by the Audit Commission.

## Statement on relevance of data quality and actions to improve data quality

Good quality information underpins the effective delivery of the care of people who use NHS services and is essential if improvements in quality of care are to be made.

Aintree University Hospital NHS Foundation Trust will be taking the following actions to improve data quality:

- Data Quality Strategy and policies regularly reviewed and kept up to date to ensure appropriate actions are undertaken to improve the quality of data recorded and reported
- Development and circulation of data quality reports to facilitate improvement
- Routine audits undertaken to validate the quality of data
- Regular coding audits undertaken to ensure robustness of clinical data
- The Trust has invested in a data quality team with particular focus on validating and improving Electronic Patient Record data
- Achievement of a minimum of level two IG Toolkit

## Learning from Deaths

During 2017/18, 1,429 of Aintree University Hospital Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 287 in the first quarter;
- 322 in the second quarter;
- 405 in the third quarter;
- 415 in the fourth quarter.

By 18 March 2018, 920 case record reviews and 10 investigations have been carried out in relation to 1,429 of the deaths.

In 10 cases a death was subjected to both a case record review and a serious incident investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 2 in the first quarter;
- 3 in the second quarter;
- 2 in the third quarter;
- 3 in the fourth quarter.

Three representing 0.21% of 1,429 of the patients' deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

In relation to each quarter, this consisted of:

- 1 representing 0.35% for the first quarter;
- 1 representing 0.31% for the second quarter;
- 1 representing 0.25% for the third quarter;
- 0 representing 0% for the fourth quarter

These numbers have been estimated using the Mortality Review System which runs on a monthly basis. The system (database) includes demographics and other quality indicators which are used, along with the patients' notes, to gain an informed view to see if any lessons can be learnt.

If there is an incident identified resulting in a death then an investigation will be carried out in line with the Trust's incident management and reporting process. This process is led by the Clinical Governance Team along with the Divisional Teams and with the support of the Consultant (who was leading on the care) and their Team to determine lessons learnt. The final report is then submitted to the Safety & Risk Executive Led Group for review and discussions then shared widely throughout the Trust.

During the financial year 2017/18 the following deaths were reviewed and identified avoidable factors were:

- Prolonged delayed discharge from hospital waiting for nursing home placement resulting in hospital acquired pneumonia
- The importance of early recognition and management of sepsis
- Falls resulting in harm in frail patients
- One death was subject to a serious incident review.

Actions have been taken in response to these mortality review findings as follows;

- Timely discharge remains a challenge which requires a system wide solution. The Trust continues to work collaboratively with external agencies and partners. Simultaneously there is an ongoing work stream looking at improving the efficiency of internal patient management to minimise the delays in the discharge process which are caused within the Trust
- When avoidable factors are identified which cut across the NHS organisations, Aintree and other local provider Trusts utilise a cross-Trust mortality review process to request a mortality review in the other organisation
- The Trust has taken a decision to regard any in-patient fall which results in fractured neck of femur (FNOF) as a potential 'serious incident'. This is because in certain patient groups FNOF carries a significant mortality risk; this risk can reasonably be expected to be higher in a patient admitted because of significant medical problems. This decision ensures that a thorough investigation is undertaken for any falls leading to severe harm or death after a FNOF. There is a working group on Falls Reduction as an area of focus for quality improvement
- The serious review made recommendations on improving the safety of care of patients with diabetes.

An assessment of the impact of the actions described above include:

- The internal work on avoiding unnecessary delays in the discharge process has improved patient flow and allowed the Trust to manage admissions better than have been the case previously. The external limitations have not been resolved, but work is ongoing
- Joint mortality reviews have taken place with other provider Trusts; this has strengthened governance links between Trusts
- The Falls Reduction Working Group has achieved a significant reduction in the numbers of falls with harm. Using the serious incident process on FNOF falls will bring strong actions into place with a formal implementation methodology.

220 case record reviews and investigations completed after (31 March 2017) which related to deaths which took place before the start of the reporting period.

Four representing 1.82% of the patient deaths before the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. These numbers have been estimated using the Mortality Review System which runs on a monthly basis. The system (database) includes demographics and other quality indicators which are used, along with the patients' notes, to gain an informed view to see if any lessons can be learnt.

Seven representing 0.47% of the patients during 2016/17, are judged to be more likely than not to have been due to problems in the care provided to the patient.



## Part 2.3 – Reporting against core indicators

Since 2012/13 NHS foundation trusts have been required to report performance against a core set of indicators using data made available to Trusts by NHS Digital.

The following tables show our performance for a least two reporting periods and, where the data is made available by NHS Digital, a comparison with the national average and the highest and the lowest performing Trusts.

However, it is not always possible to provide the national average and best and worst performance for some indicators due to the way the data is provided. In addition the most recent national data is not always available for the most recent financial year. Where this is the case, the time period used is noted.



Summary hospital-level mortality indicator (SHMI)						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Prevent people from dying prematurely	SHMI value and banding	(Oct 16 – Sept 17) SHMI value: 1.0222 Banding: 2 (as expected)	SHMI value: 100 Banding: 2 (as expected)	72.70	134	NHS Digital
		(Jul 16 – Jun 17) SHMI value: 1.0285 Banding: 2 (as expected)	SHMI value: 100 Banding: 2 (as expected)	72.61	122.77	
Enhancing quality of life for people with long term conditions	% of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust	(Oct 16 – Sept 17) Aintree value: 52.7%	31.5%	59.80%	11.50%	
		(Jul 16 – Jun 17) Aintree value: 54.2%	31.10%	58.60%	11.20%	

The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reasons; the data has been extracted from NHS Digital and the outputs are regularly reviewed and through the Trust's executive led Trust Avoidable Mortality Reduction Group.

The Trust has an 'as expected' mortality rate as measured by the Summary Hospital Level Mortality Indicator (SHMI) at 1.0222 for the period July 2016 – June 2017, as demonstrated in the table above. Unlike the Hospital Standardised Mortality Ratio (HSMR), the SHMI includes deaths 30 days after discharge and therefore patients, including those on palliative care end of life pathways, who are appropriately discharged from the hospital.

The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by a structured programme of work focused on the reduction of avoidable mortality:

- An active Avoidable Mortality Reduction Group chaired by the Medical Director with representatives from all clinical divisions and with the involvement of clinical commissioners representatives
- This is supported by structured review of data, benchmarking and trends related to in-hospital deaths as well as detailed clinical review at a local level
- Mortality improvement work is also supported by work with external agencies such as AQUA, where the Trust is seen as delivering the best performance regionally on a range of quality and process measures related to conditions such as pneumonia and acute kidney injury which are known to contribute to in-hospital mortality.

The Trust is seen to have a high rate of palliative care coding. As the Trust provides a number of regional and specialist services and is a provider of specialist palliative care, these levels are seen as appropriate for the organisation.

Readmission rates for children and adults						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Helping people recover from episodes of ill health or following injury	% of patients readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period (i) Aged 0 to 15	(Apr 2011-Mar 2012)* Aintree: 0	10.01%	5.10%	13.58%	NHS Digital
		(Apr 2010-Mar 2011) Aintree: 0	10.15%	5.85%	13.94%	
	% of patients readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period (ii) Aged 16 or over	(Apr 2011-Mar 2012)* Aintree: 11.76%	11.45%	8.96%	13.50%	
		(Apr 2010-Mar 2011) Aintree: 12.11%	11.42%	7.60%	12.94%	
* Most recently available data						
Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reason; the data has been extracted from NHS Digital.						
The readmission rate demonstrated for Aintree University Hospital NHS Foundation Trust is comparable to that expected. The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by continuing to work with CCG teams, Accident and Emergency and local Mental Health providers to reduce readmissions and frequent Accident and Emergency attendee rate.						
Please note that this indicator was last updated in December 2013 and future releases have been temporarily suspended pending a methodology review						

Patient Experience						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Ensuring people have a positive experience of care	Responsiveness to the personal needs of its patients	(Apr 2016-Mar 2017) Aintree: 67%	68.1%	85.2%	60.0%	NHS Digital
		(Apr 2015-Mar 2016) Aintree: 69.4%	69.6%	86.2%	58.9%	
The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reasons; the data has been extracted from NHS Digital and is derived from, the National Inpatient Survey.						
Aintree is focused on improving the experience of patients. As per the data above, Aintree University Hospital NHS Foundation Trust performs in line with the national average in terms of responsiveness to the personal needs of its patients. The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by:						
<ul style="list-style-type: none"> <li>The introduction of a flexible visiting policy. A Visitors' Charter had been developed in conjunction with local Healthwatch Groups and approved at Patient Experience Executive Led Group. Patients, Visitors and Staff have been given the opportunity to provide feedback on the core and flexible visiting times via a survey developed by a Volunteer. The results demonstrate that patients and visitors are satisfied with the visiting times and find them more convenient. Following feedback from staff, further engagement work is ongoing to support staff in promoting the Visitors' Charter. Further patient, visitor and staff satisfaction surveys will be undertaken during 2018</li> <li>Aintree scores in the interquartile range of Trusts on the Picker patient experience survey (voluntary independent bi-annual patient feedback survey) and maintains a focus on identifying areas for improvement through this process</li> <li>A patient and family shadowing and engagement project is in place to help understand patients' experience of the Trust and identify areas for improvement.</li> </ul>						

National Staff Survey						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Ensuring people have a positive experience of care	% of staff who would recommend the Trust to their family or friends	(Apr 2016- Mar 2017) Aintree: 48%	42%	72%	29%	NHS Digital
		(Apr 2015- Mar 2016) Aintree: 41%	42%	75%	27%	
The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reason; the data has been extracted from NHS Digital and is taken from the National Inpatient Survey.						
Aintree University Hospital NHS Foundation Trust is performing in line with the national average. The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by:						
<ul style="list-style-type: none"> <li>The Trust encourages staff to raise concerns in relation to the quality of care patients receive</li> <li>The Trust has a formal establishment review process to provide regular review of staffing levels, incidents and patient acuity to help ensure that the right staffing levels are in place to deliver high quality care</li> <li>There is continual focus on staff well-being along with an ongoing development of a self-care programme</li> <li>Ongoing focus on improving appraisal and training compliance to ensure that staff are supported in the delivery of their roles</li> <li>There is a continued focus on improving incident report and learning from mistakes.</li> </ul>						

Venous thromboembolism (VTE blood clot)						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Treating and caring for people in a safe environment and protecting them from avoidable harm	% of patients who were admitted to hospital and who were assessed for venous thromboembolism	(Apr 2017- Dec 2017) end of Q3 Aintree: 92.29%	95.25%	100%	76.08%	NHS Digital
		(Apr 2016- Mar 2017) end of Q3* Aintree: 94.23%	95.70%	100%	76.48%	

The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reason; the data has been extracted from NHS Digital.

The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by:

- The Trust continues to provide comprehensive training in the completion of VTE Proformas
- Every Breach in compliance is validated and contact made with Doctors when risk assessments are found to be incomplete.

Clostridium difficile (C.Diff) infection						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Treating and caring for people in a safe environment and protecting them from avoidable harm	Crude count of cases of C. difficile infection reported within the Trust amongst patients aged 2 or over	(Apr 2017- Mar 2018) Aintree: 66	34	0	150	NHS Digital
		(Apr 2016- Mar 2017) Aintree: 46	30	0	116	

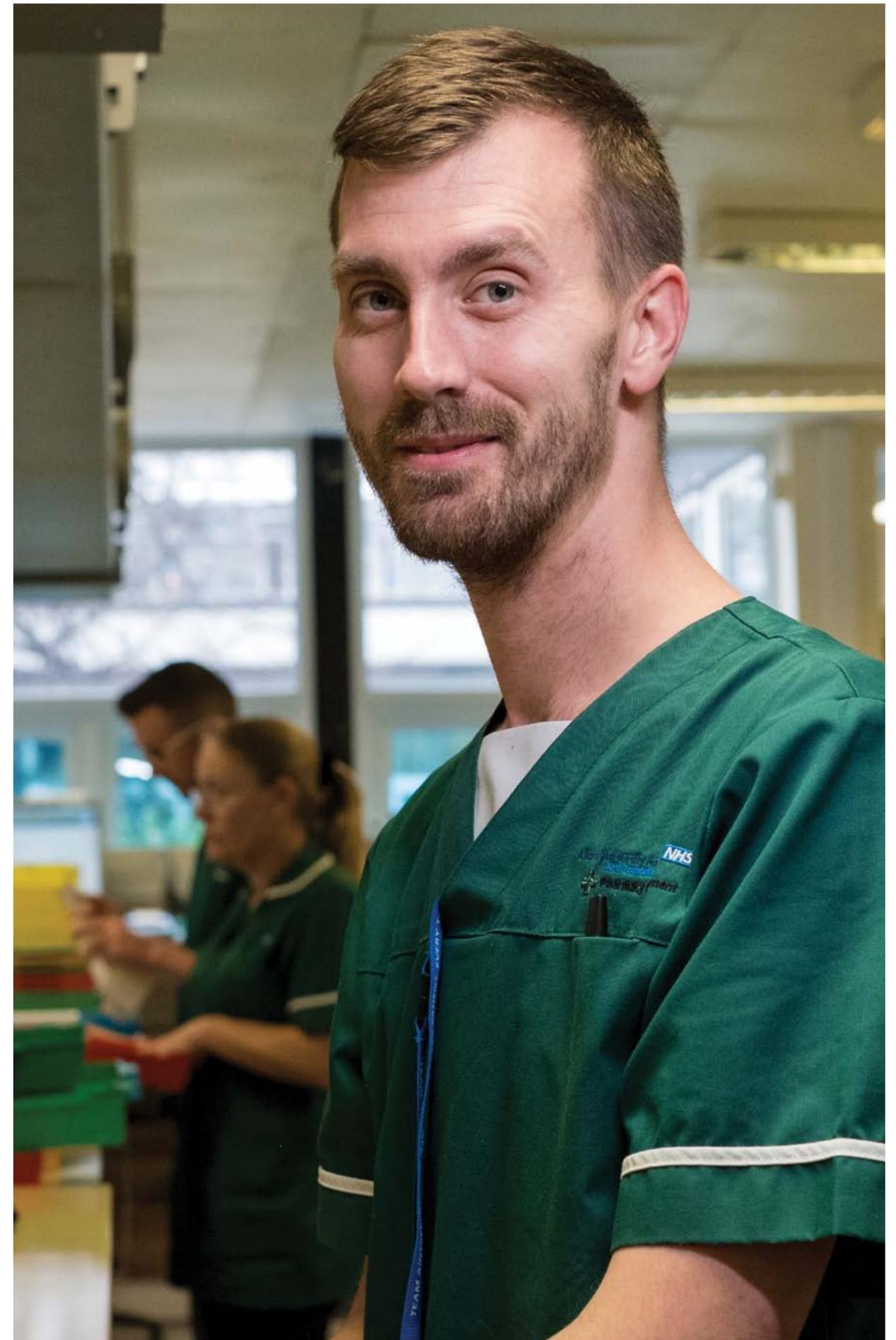
\* Most recently available data (crude cases only available from NHS Digital)

The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reason; the data has been extracted from NHS Digital.

The data shows an overall reduction in the total number of cases reported to Public Health England since March 2016.

The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by the following work which continues:

- Annual Healthcare Associated Infections reduction delivery plan for 2018/19 has been developed and agreed. This includes actions to reduce CDI and other healthcare associated infections. The Delivery Plan is monitored at the IPC Group and Safety & Risk Executive Led Group. Latest un-validated data shows a marginal reduction in performance with total volume of C.Difficile infections reported to PHE increasing in 2017/18
- All cases of CDI are presented to the IPC Operational Group to enable themes to be monitored and agreement in terms of suitability for appeal
- An internal audit regarding antimicrobial stewardship has been undertaken; reasonable assurance provided. Actions to be implemented and monitored via the Antibiotic Action Group
- Joint review of antibiotic guidelines in progress with Liverpool Clinical Laboratories and the Royal Liverpool Hospital
- The treatment for CDI is being reviewed to include the use of fidaxomicin for all patients.



**Patient Reported Outcome Measures (PROMs)**

NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Helping people recover from episodes of ill health or following injury	Patient reported outcome measure for: (i) Groin hernia surgery	(Apr 2016-Mar 2017) Aintree: 0.074	0.086	0.135	0.006	NHS Digital
		(Apr 2015-Mar 2016) Aintree: 0.081	0.088	0.157	0.0213	
	Patient reported outcome measure for: (ii) Hip replacement surgery	(Apr 2016-Mar 2017) Aintree: 0.434	0.437	0.533	0.335	
		(Apr 2015-Mar 2016) Aintree: 0.424	0.438	0.510	0.320	
	Patient reported outcome measure for: (iii) Knee replacement surgery	(Apr 2016-Mar 2017) Aintree: 0.316	0.323	0.398	0.249	
		(Apr 2015-Mar 2016) Aintree: 0.299	0.320	0.398	0.198	

The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reason; the data has been extracted from NHS Digital.

PROMs measure patients' health gains after surgery. The information is gathered from patients who complete a questionnaire before and after surgery. From the data available, the case mix adjusted average health gain shows that the Trust is not an outlier when compared nationally.

The Aintree University NHS Hospital Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by:

Continuing the work within Orthopaedics and General Surgery to ensure that the best patient outcomes are achieved.

**Rate of patient safety incidents and percentage resulting in severe harm or death**

NHS Outcome Framework Domain Indicator	Indicator	Trust rate noted for reported period	National average	Top Performer	Worst Performer	Data Source
Treating and caring for people in a safe environment and protecting them from avoidable harm	Number of patient safety incidents reported within the Trust	(Apr 2017 – Sept 2017) Aintree: 3,768	5,226	1,133	15,228	NHS Digital
		(Oct 2016 – Mar 2017) Aintree: 3,227	5,122	1,301	14,506	
	Rate of patient safety incidents reported within the Trust - per 1,000 bed days	(Apr 2017 – Mar 2017) Aintree: 30.6	42.84	23.47	111.69	
		(Oct 2016 – Mar 2017) Aintree: 26.29	41.1	23.13	68.97	
	Number of such patient safety incidents that resulted in severe harm or death	(Apr 2017 – Sept 2017) Aintree: 9	18.4	0	121	
		(Oct 2016 – Mar 2017) Aintree: 11	19	1	92	
	Rate of such patient safety incidents that resulted in severe harm or death - per 1,000 bed days	(Oct 2016 – Mar 2017) Aintree: 0.20	0.4	0	2.0	
		(Oct 2016 – Mar 2017) Aintree: 0.30	0.4	0	2.1	

The Aintree University Hospital NHS Foundation Trust considers that this data is as described for the following reason; the data has been extracted from NHS Digital.

The Aintree University Hospital NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services, by:

- Continuing to promote the reporting of incidents across the Trust
- Identify a plan for greater sharing of lessons learnt and feedback following incident investigations, building on the good practice that is in place across the organisation
- Develop enhanced systems for raising concerns.

## Part 3: Other Information

### 3.1 An overview of the quality of care

The following section provides an overview of the quality of care offered by Aintree based on performance in 2017/18 against additional indicators selected by the Board in consultation with stakeholders. These indicators have been selected to demonstrate our ongoing commitment to patient safety, clinical effectiveness and enhancing the patient experience

#### Our Patient Safety Initiatives:

##### Aintree's Flu-Fighter Campaign

Aintree's flu-fighter campaign for 2017/18 has been our most successful ever, exceeding the national target of 70% coverage of frontline staff in record time. More than 87% of staff had their flu jab which protects staff, families and patients. Moreover 75% of our entire workforce had their vaccination during this year's campaign. Aintree was the top performing acute Trust for staff flu vaccination for the majority of the reporting period. To achieve this success the Trust's Occupational Health Department worked collaboratively with the Communications Team to ensure that staff received positive messages about the effectiveness of flu vaccination. The Occupational Health Team also worked in partnership with Divisional Managers to ensure that staff were given the opportunity to be vaccinated at their convenience with vaccinations being available from pop-up clinics ('Jab at the Hut'), walkabouts ('Flu to You') and drop in sessions. Evening sessions were facilitated within wards and departments to capture night



staff, early morning vaccinations were available from 7am and weekend vaccination sessions were facilitated throughout the hospital. Aintree's Flu Campaign has also been shortlisted for the Most Innovative Flue Fighter Campaign in the Flu Fighter 2018 Awards.



We wanted to ensure that it was easier than ever for our staff to get their flu jabs and thousands took advantage in the first few weeks. Thanks to everyone involved for all their hard work in making it so successful, and to everyone who had their jab, as without their willing participation the campaign would not be effective.

Diane Haddock – Head of Organisational Health and Effectiveness

Number of Staff Vaccinated		Work related stress referrals	
March 2017	March 2018	2016 – 17 No of cases	2017 – 2018 No of Cases
84.2%	87.5% at M11	63%	51%

Data Source: Schedule 4 Quality Requirements KPI Return

Data Source: Trust Workforce systems

##### Reducing Antibiotic Consumption

Antimicrobial resistance (AMR) has risen alarmingly over the last 40 years. Reducing consumption of antibiotics and optimising prescribing practice by reducing the indiscriminate or inappropriate use of antibiotics which is a key driver in the spread of antibiotic resistance.

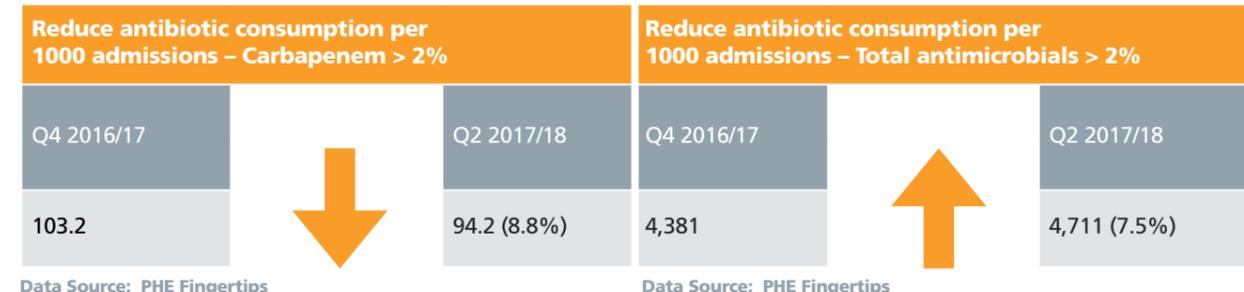
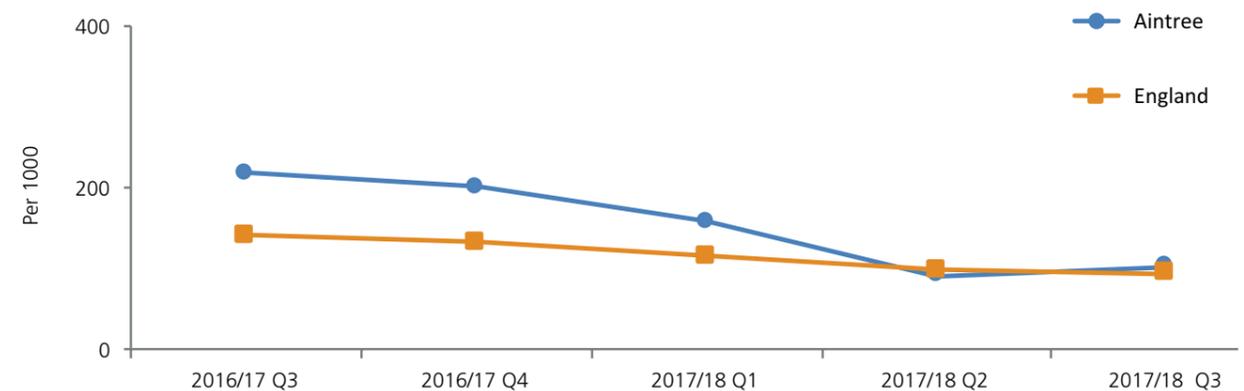
During 2017/18 Aintree has participated in a national CQUIN initiative to reduce antibiotic consumption by focusing on antimicrobial stewardship and ensuring antibiotic review within 72 hours. The aim was to reduce total antibiotic consumption and the consumption of two specific types of antibiotics (Carbapenems and Tazocins). Activities to reduce antibiotic consumption have included:

- Reviewing guidelines and switching to narrow spectrum agents where possible
- Using pharmacist daily reviews and ward round checklists to review all patients on antibiotics and to switch patients from IV antibiotics to oral antibiotics in a timely and appropriate manner
- Using stickers in patients' medical notes to highlight to all health professionals the rationale for continued use of Intravenous Antibiotics after 72 hours

- Incorporating an IV alert in the electronic prescribing system which highlights all patients on critical medications including IV antibiotics
- Strong and effective multidisciplinary leadership (champions) at all levels
- Education and training of all clinical staff to ensure documentation and appropriate use of antimicrobials

The latest results available demonstrate an 8.8% reduction in Carbapenem antibiotic consumption and a 55% decrease in Tazocin antibiotic consumption. The large decrease in Tazocin consumption is due to a national shortage in the availability of this type of antibiotic which has necessitated changes to make the Trust formulary Tazocin sparing by introducing amoxicillin, gentamicin and metronidazole. Therefore one agent has been replaced by three resulting in an overall increase in antibiotic consumption. The robust antimicrobial stewardship activities introduced by the Trust have mitigated the overall increase in antibiotic consumption has been limited to a 7.5% increase.

##### Four quarter rolling rate of piperacillin - tazobactam prescribing per 1000 admissions; by acute trust



### Emergency and Acute Care Programme

The Trust has undertaken a programme of work spanning the last 6 months in order to support achievement of the 95% 4 – hour waiting time standard as well as performance against key quality indicators in the emergency department.

The Emergency and Acute Care Programme has focused on three workstreams; the emergency department, patient assessment areas and patient flow through the hospital. The team have used qualitative and quantitative information to determine a series of high impact change areas and tested impact of these through a series of rapid improvement events, building the learning and permanent changes back into the programme of work to embed and sustain them.

These high impact changes have included focusing on patients who could be seen and treated without admission, time to initial assessment, time to see first doctor and time to speciality review. Between 19th to 25th March 2018 the results have demonstrated:

- 10% improvement in the percentage of patients receiving initial assessment within 15 minutes
- 6% improvement in the percentage of patients receiving first doctor review within 60 minutes
- 5% improvement in non-admitted performance
- All of this has been achieved in the backdrop of an 8-10% increase in attendances between November – February 2017/18 (and also in complexity) in comparison to the same time period in 2016/17.

There is still a significant amount of work to do to improve waiting times in the emergency department. Consequently in 2018/19 the emergency care programme will focus on:

- Continued work in the emergency department to embed the changes implemented to support the results above
- Bed demand and capacity modelling to ensure that the Trust has the correct volume and split of beds to deliver non elective activity
- Implementation of the SAFER patient flow bundle to improve length of stay, volume of discharges and the time of these discharges on the base wards.
  - **S – Senior review.** All patients will have a senior review before midday by a clinician able to make management and discharge decisions
  - **A – All patients** will have an expected discharge date and clinical criteria for discharge
  - **F – Flow** of patients will commence at the earliest opportunity from assessment units to inpatient wards. Wards that routinely receive patients from assessment units will ensure the first patient arrives on the ward by 10 am
  - **E – Early discharge.** 33% of patients will be discharged from base inpatient wards before midday
  - **R – Review.** A systematic multi-disciplinary team review of patients with extended lengths of stay (>7 days – ‘stranded patients’) with a clear ‘home first’ mindset.



### Our Clinical Effectiveness Initiatives

#### Improving Diabetes care – Liverpool Diabetes Partnership

The Liverpool Diabetes Partnership (LDP) was developed in 2015 to promote collaborative working with Aintree University Hospital NHS Foundation Trust, the Royal Liverpool and Broadgreen University Teaching Hospitals NHS Trust and Liverpool Community Health (LCH).

Part of its remit was to develop community based services, for diabetic patients, and to encourage better holistic care for them in their community, rather than having to attend hospital outpatient appointments and alternatively A&E. It was also tasked with reducing the numbers of diabetic patients attending A&E and the reduction in amputations.

While making significant inroads into these aims, the LDP has also been working in partnership with other external organisations to improve the health and well-being of diabetic patients across the city.

Liverpool has approximately 750 homeless people in the city including, rough sleepers, “sofa surfers” and hostel dwellers and the team have worked collaboratively with St Paul’s Eye Hospital, LCH Podiatry and the Homeless

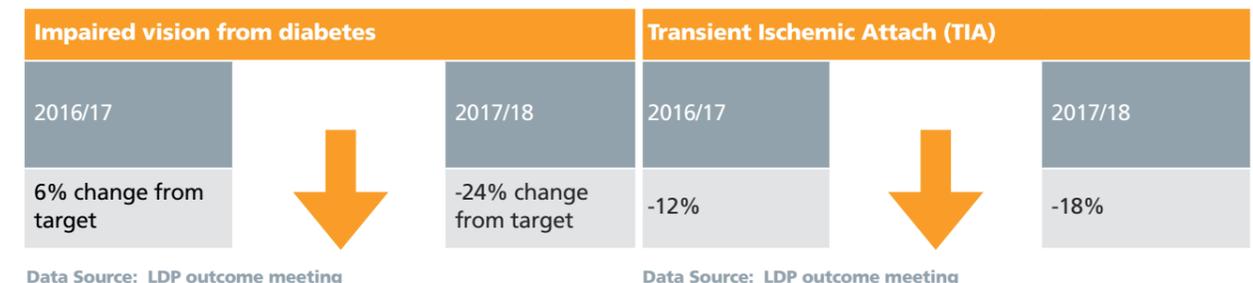
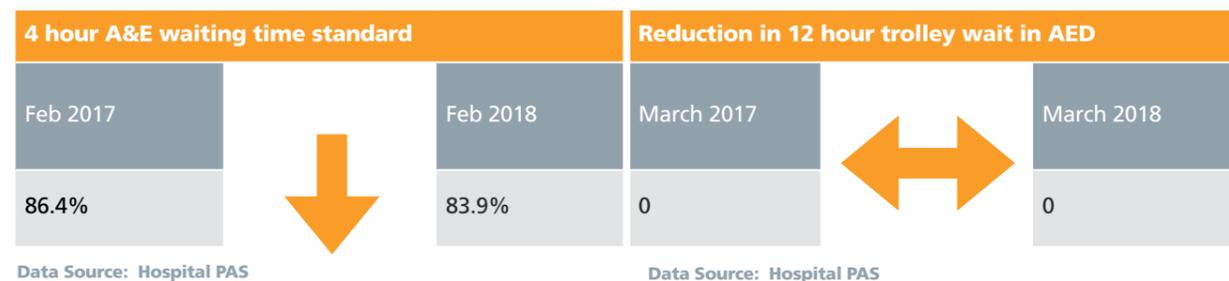
There are between 20 to 50 homeless attending a monthly clinic where diabetic patients can be seen by podiatrists and a Liverpool Diabetes Partnership Diabetic Senior Nurse (DSN)

Outreach Team to engage the Homeless and Hostel residence to attend for holistic Diabetes care. LDP has worked with 20 hostels, in piloting an education programme which has now been delivered and has a roll out schedule agreed for 2018/19. There are monthly joint clinics with the Homeless Outreach Team, visiting identified diabetics in Hostels or in the city centre Brownlow Group Practice.

There are between 20 to 50 homeless attending a monthly clinic where diabetic patients can be seen by podiatrists and a Liverpool Diabetes Partnership Diabetic Senior Nurse (DSN), there are also quarterly Eye Screen clinics which have up to five patients assessed, with DSN support, and there are currently 10 homeless patients on intense management plans with the DSN.

In addition, the service has also helped to increase the knowledge and skills of GPs, practice nurses and community care health professionals who diagnose and treat people with diabetes. The CQC recently visited the team during a joint clinic and were pleased with the work quoting “A great example of primary care working together to reach are homeless population”, and they have been rated as ‘Outstanding’ for diabetes care by the National Clinical Director for Obesity and Diabetes at NHS England.

Latest performance figures from December 2017 show that amongst the diabetic population within Liverpool, the service is achieving a 20% reduction in sight and kidney related complications, 12% fewer strokes, and 22% less admissions to hospital for hypoglycaemia (low blood sugar levels).





### Aintree's Sepsis Improvement Programme

Aintree's sepsis campaign for 2017/18 has seen some significant positive outcomes in our patient care with reported drops in our summary hospital-level mortality (SHMI) for Sepsis 136.68 to 107.7.

Improvements have been made through the establishment of our Sepsis Improvement Group which includes multi professional members from Clinicians (doctors, surgeons, nurses, pharmacists) and support staff. The groups meet monthly to review our achievements against the national CQUIN for Sepsis and establish means of making improvements. The national CQUIN aims to reduce the impact of serious infections by:

- Timely identification of sepsis in emergency departments and acute inpatient settings
- Timely treatment for sepsis in AED and acute inpatient settings (antibiotics in 1 hr of diagnosis)
- Clinical antibiotic review between 24-72 hours of patients with sepsis.

Performance data on the management of patients with Sepsis indicates that performance against all three indicators is improving during 2017/18. In addition, the Trust currently takes part in the Advancing Quality programme with six other Trusts in the Region. This programme monitors the percentage of measures from a care bundle (CPS) delivered and the percentage of patients receiving their appropriate care bundle (ACS). Currently Aintree have the third highest score and the second highest percentage of patients receiving the care bundle. Improvements brought about include:

- Sepsis training modules established including electronic induction
- Clinical huddles, other clinical training (e.g. renal, respiratory)
- Regular education and training taking place. F1 and F2 doctors have set training times with clinicians from SAU and MAU to raise awareness of Sepsis and the Sepsis pathway. Introduction of Sepsis 6 trolleys in AED and MAB/FAB clinical areas
- Introduction of Sepsis boxes on inpatient wards.
- Development and introduction of a sepsis screening tool, guidance and clerking proforma. The use of these is being audited and discussed to establish means of improving usage.

In addition the use of an orange antibiotic review band is being proposed to highlight the need for antibiotic review. A small trial has been undertaken in the emergency department and a launch across the hospital is being developed with a scheduled implementation during Q1 2018/2019.

Currently Aintree have the third highest score and the second highest percentage of patients receiving the care bundle.

Percentage of Septic patients screened		Transient Ischemic Attack (TIA)	
2016/17	98.6%	2016/17	39.8%
2017/18	99.8%	2017/18	67.2%

Data Source: Aintree Business Intelligence Portal

Data Source: Aintree Business Intelligence Portal

### Mental Health CQUIN

The mental health CQUIN, led by Dr Mark Griffiths Consultant Lead Clinical Psychologist and Dr Elizabeth MacCallum, AED Consultant, was introduced in April 2017 and its main objective was to reduce the number of attendances to AED, for patients within a selected (and identifiable) cohort of frequent attenders. They would be patients whose patterns of attendance were indicative of mental health factors influencing medical status, who could be identified as likely to benefit from mental health and psychosocial interventions, (within their case management and under a pro-active care approach).

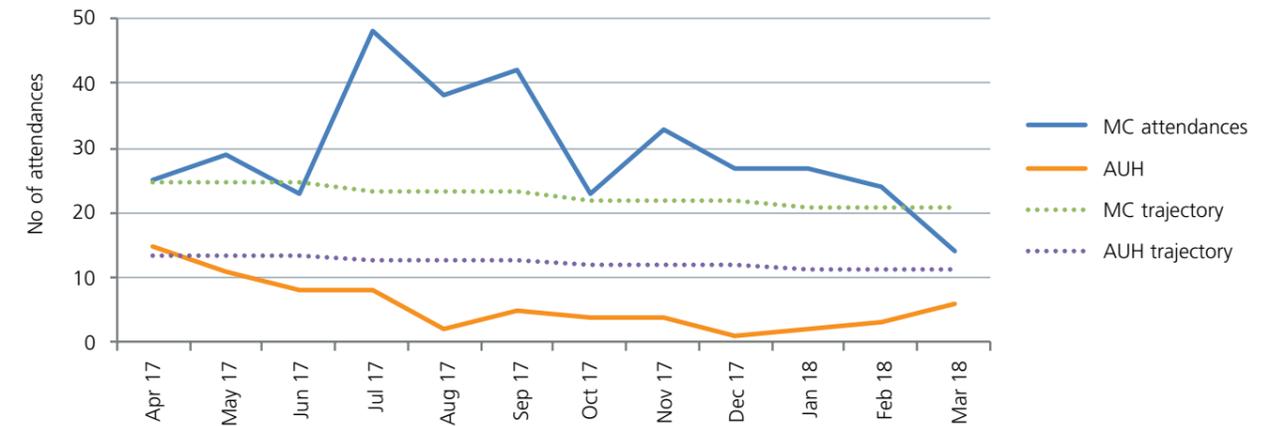
The CQUIN is a collaborative piece of work which means the Aintree clinical team is working very closely with various external organisations such as Mersey Care, the Royal Liverpool & Broadgreen University Hospitals, North West Ambulance Service, the Police and the voluntary sector.

The CQUIN cohort including, 2 primary patient groups; frequent attenders presenting with mental health needs

relating to Emotionally Unstable Personality Disorder (EUPD) and frequent attenders presenting with persistent medical complaints, but where patterns of attendance over the previous 12 months were strongly suggestive or mental health / psychological factors affecting medical status.

There have been pro-active care plans put in place providing psychologically-informed case management guidance across the various organisations, which seek to ensure that when a patient attends either Trust they get the same consistent model of care, more effectively and efficiently. Following model implementation we have noticed that not only have the number of attendances, for these patients, dropped significantly (see below) but the duration of their stay within the emergency department has also reduced considerably. Not only has this been a triumph for the patients, in getting the most appropriate treatment for them, but it has also helped the clinicians in the emergency department manage patients more effectively and establish good collaborative working across Trusts and external organisations.

### CQUIN attendance



AED attendances for Aintree Cohort		AED attendances for Mersey Care cohort	
April 2017	15	April 2017	25
March 2018	5	March 2018	10

Local Data Source

Local Data source



## Our Patient Experience Initiatives

### Stroke Relaxation Room

The relaxation room on the Aintree Stroke Unit opened in December 2017. The new relaxation room provides a dedicated space to help combat some of the psychological effects of a stroke. The room, which is a converted office space, includes sensory lighting, relaxing music and essential oils which are known for their calming and therapeutic properties.

It is a great addition to the stroke ward at Aintree and really improves the experience of patients. Danielle McDermott, Stroke Data and Quality Co-Ordinator, designed and furnished the room when she identified that patients and their families often need a quiet space away from the clinical areas to relax. A stroke affects your brain, which is what controls your emotions and behaviours, so having the space to address any psychological issues alongside the medical care offered on our stroke unit is fantastic news for our patients and really enhances the psychology services provided on the ward.

The room was officially opened on 23 February 2018 by two ex-Liverpool Football Club players, Terry McDermott and David Johnson.



**Terry said: "This is a great addition to the stroke ward at Aintree and will really improve the experience of patients. I'm incredibly proud of Danielle for having the initiative to create this space with the support of her colleagues. I've heard lots about it, so it's great to see it in the flesh and be here for the official opening."**

Terry McDermott

## Understanding the role of Bowel Cancer Screening Programmes and Advanced Bowel Cancer Multidisciplinary Teams (MDTs)

Currently, advanced bowel cancer multi-disciplinary teams (MDTs) are not standard practice in the NHS. At Aintree, our team established the first advanced bowel cancer MDT in the UK in 2012. We provide a central referral point for all patients with advanced bowel cancer in Cheshire and Merseyside, North Wales and the Isle of Man.

Health professionals are dealing with more people than ever before, and resources are stretched. However our experienced specialists have taken proactive steps to come together and develop this service. This team is made up of healthcare professionals, all with specialities relevant to the site of the cancer and they are very good at planning effective treatments for patients whose cancer is limited to one organ, such as the bowel.

However, in cases where bowel cancer has spread to other parts of the body such as the liver or lungs, we believe patients would significantly benefit from the input and advice of MDTs that specialise in treating advanced bowel cancer. Consequently at Aintree we have combined these and other specialists into one team. From screening to diagnosis to treatment, our advanced bowel cancer MDT will come to well informed decisions quickly and provide



patients with the most effective treatment options. This increases patients' chances of quality survival.

In 2017 Bowel Cancer UK singled out teams at Aintree for praise after they led the way in caring for patients with advanced bowel cancer. Our patients gave us the following feedback in relation to the Bowel Cancer Screening experience they have had at Aintree...

**“ ”**  
I love sitting in this room it has a lovely calming effect

**“ ”**  
It has allowed me to spend quality time with my family in a space that feels more like home than a hospital

**“ ”**  
The room captures something we forget about in the clinical setting and that is people's well-being.

Our patients and their families said...

**“ ”**  
My dignity was maintained through the whole process

**“ ”**  
I would like to comment on how much I appreciated the friendly and professional support I received from all the staff from bowel cancer screening

**“ ”**  
I could not have asked for better staff to carry out this procedure. They were not only very professional, but were also caring and understanding. Thank you

Our patients said...

Bowel Cancer Screening Patients seen within 14 days of receiving an abnormal test		Adenoma Detection Rate following colonoscopy after positive screening test (Merseyside and North Cheshire)	
2016	2017	2016	2017
100%	100%	61.55%	63.79%

Local Data Source      Local Data source

### Aintree Volunteer Companionship Service

The Aintree Volunteer scheme was established in 1997 and provides a well-respected service with local and National recognition. It is now one of the largest NHS volunteer services in the UK. Over 800 volunteers make a positive contribution to the Trust by enhancing the quality of life for patients, relatives and staff at Aintree.

In 2012 a new volunteer companionship role in end of life care at Aintree was established. This is an innovative model of care using trained volunteers to support patients at end of life and their families. The role of the trained volunteer is to provide a listening ear and a hand to hold for dying patients and comfort and support for family and

friends. They also act as a liaison between the patient/family and the nursing staff, communicating any concerns in a timely and appropriate manner.

Volunteers providing this service have undergone a two and a half day interactive training programme covering the principles of palliative care and symptom control, communication skills, clinical governance, spirituality and resilience.

The volunteer companionship service was initially set up as a pilot within the Trust, and closely monitored. Focus groups were formed with Ward Managers to discuss the progress of the service.



**It helped me to know that if mum had no visitors, a volunteer could sit with her until her visitors came**

Relative



**Volunteer companions just being there really works and is a great bonus**

Ward Sister



**This is an excellent service for families, can't thank you enough. Keep up the good work**

Relative

Regular support sessions take place with the Volunteer Manager, Assistant Clinical Psychologist and the Palliative care team, providing coping mechanisms and enabling one to one discussions. As more volunteer companions trained up for the service, a mentorship support programme has been introduced using the more experienced companions, which allowed a shadowing system and further one to one support.

To date eight training programmes have been completed enabling the service to go trust wide in 2013, recruitment for a ninth is currently underway. For the service to continue to be successful training must work in conjunction with close support and supervision along with psychological and peer support.

The service has received a number of National awards and promotion of the service has led to other acute hospitals and hospices expressing an interest in setting up similar services. To date, over 34 Trusts and Hospices have visited Aintree to find out more about the service.

The volunteer companionship service does not replace the essential medical and nursing care that patients require in their final days and hours of life, but aims to supplement the quality and quantity of support for patients and their families. It is the first of its kind to be delivered in a hospital setting and Aintree Volunteers are proud to be leading the way Nationally.

### Staff Survey Responses

2016/17
43.7%



### Requests for companions from wards

2017/18
45.5%

2016/17
135



2017/18
700

Local Data Source

Local Data source

## Part 3.2 Performance against relevant indicators and performance thresholds set by NHS Improvement

To include 18 weeks, A&E, 62 day cancer waits and *C Difficile*.

Aintree is required to report its performance with a list of published key national priorities, against which the Trust is judged. Aintree reports its performance to the

Board and the Trust's regulators throughout the year. Actions to address any areas of underperformance are put in place where necessary. These performance measures and outcomes help Aintree to monitor how it delivers its services.

### Performance against key national priorities from the Monitor Compliance Framework 2017/18

Indicator	NHSI Threshold	2017/18					Apr 2017 – March 2018
		Quarter 1	Quarter 2	Quarter 3	Quarter 4		
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (1)	>=92%	93.13%	92.21%	91.73%	90.51%	91.90%	
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge	>=95%	80.88%	82.31%	85.07%	83.54%	82.95%	
All cancers: 62-day wait for first treatment from: – Urgent GP referral for suspected cancer	>=85%	84.4%	80.7%	86.3%	84.7%	84.1%	
NHS Cancer Screening Service referral	>=90%	91.7%	88.4%	84.9%	87.8%	89.7%	
<i>Clostridium Difficile</i> (C. diff) – Total cases	46	9	14	11	9	43	
<i>Clostridium Difficile</i> (C. diff) case variance from plan	N/A	-2.5	+2.4	-0.6	-2.3	-3.0	
SHMI <sup>3</sup>	100	102.85					
6 week diagnostics	1%	3.9%	2.22%	4.80%	1.38%	1.38%	
VTE	95%	91.4%	92.2%	92.3%	92.3%	92.1%	

<sup>3</sup> Latest position report in relation to SHMI (standardised hospital mortality index) is as reported above. This performance is a rolling 12 month position updated on a quarterly basis and covers the period of the last 12 months, as per NHS Digital.

## Part 3.3 Additional information for 2017/18

### Delivery of Seven Day Services

There are four priority standards for the delivery of 7 day services:

- Consultant review within 14 hours of admission
- 7-day access to diagnostic tests
- 24 hour access, seven days a week to key Consultant – directed interventions
- Daily Consultant reviews

The Trust is fully compliant with the four priority 7-day service standards within major trauma and critical care and has made progress towards compliance with these standards for both heart attack and stroke services. There are gaps for some specialised investigations, but this is improving. The Trust is not yet fully compliant for these priority standards within all specialties. At weekends therefore, whilst new, sick and potential discharge patients are seen there are a cohort of patients whose care may not be progressed. This means that the Trust is not always able to achieve the best possible length of stay for all patients. During 2018/19, the Trust will review compliance against the four priority standards in light of the merger plans with Royal Liverpool & Broadgreen University Hospitals NHS Trust. The Trust will also continue to take action and create change where possible within existing resources.



## Annex i

### Quality Account Statement – Aintree University Hospital NHS Foundation Trust

**NHS**  
South Sefton  
Clinical Commissioning Group

**NHS**  
Knowsley  
Clinical Commissioning Group

**NHS**  
Liverpool  
Clinical Commissioning Group

**South Sefton, Liverpool and Knowsley CCGs welcome the opportunity to jointly comment on Aintree University Hospital NHS Foundation Trust's Quality Account for 2017/18. The CCGs have worked closely with the Trust throughout 2017/18 to gain assurances that the services delivered were safe, effective and personalised to service users. The CCGs share the fundamental aims of the Trust and supports their strategy to deliver high quality, harm free care.**

It is noted that the Quality Account that is being reviewed is a draft version and the CCGs look forward to receiving the finalised account. The work the Trust has undertaken and described within this Quality Account has helped to improve patient safety and the quality of patient experience and endorses the Trust's commitment to the delivery of world class care for all.

The Commissioners welcome the progress made on the 2017/18 accounts and the focus of work on the three overarching priorities:

- Care that is Safe
- Care that is Clinically Effective
- Care that provides Positive Experiences for Patients and their families

This Quality Account indicates the Trust's commitment to improving the quality of the services it provides with commissioners supporting the key priorities outlined in the Quality Strategy (2017/18). Whilst it is acknowledged that some indicators were not achieved, progress has been made on last year's account. The following identifies achievement and areas where further work is required.

- For Care that is Safe, achievement was gained in the following areas: pressure ulcers (grade 2), in-patient falls, MSSA, VTE. Partial achievement or further improvement is required for pressure ulcers (grade 3 and 4), C.difficile and MRSA cases and Cardio-Pulmonary-Resuscitation Training and Practice
- For Care that is Clinically Effective, achievement was gained in all the Advancing Quality composite processing scores, in embedding the AMBER care bundle across the Trust and in embedding the elements of the Sepsis 6 Care bundle.

Partial achievement was gained in using the MUST tool, in patients with Community Acquired Pneumonia (CAP) receiving antibiotics within 4 hours of arrival at the Trust and in improving the recognition and management of Acute Kidney Injury

- For Care that provides Positive Experiences for Patients and their families, the Trust failed to reach its ambition and this requires improvement.

These three areas of priority will continue for 2018/19 in line with the Trust's Quality Strategy (2018 – 20) and will be underpinned by a portfolio of key quality goals:

- Care that is safe- CQC fundamental standards of care
- Care that is safe – Safeguarding processes
- Care that is safe – Mental Health Act compliance
- Care that is safe – Preventing and learning from harm
- Care that is clinically effective – Acute and emergency care pathways
- Care that is clinically effective – Responsiveness to the deteriorating patient
- Patient experience – Positive and family centred care.

The CCGs recognise the quality challenges faced at the Trust with the recent CQC inspection rating of “requires improvement” and will look to support and work with the Trust on the action plan to improve standards. The Trust has been particularly challenged with a series of Surgical Never Events which will require work on review of incidents, lessons learned and change in practice supported by policy development and training to mitigate risks to patients for all serious incidents.

The draft Quality Account is a comprehensive report that clearly demonstrates progress within the Trust. It identifies where the organisation has done well, where further improvement is required and the ambitions moving forward. The report lacks information however on what actions are needed to achieve these goals, in line with their Quality Strategy.

We have reviewed the information provided within the Quality Account and checked the accuracy of data within the account against the latest nationally published data where possible.

The Trust’s Quality Strategy for the forthcoming year (2018/19) has taken into account and been agreed on the views from all stakeholders including staff, commissioners and most importantly patients. The monitoring of the Quality Improvement Plan, which all action plans will feed into, has a clear direction for reporting and accountability.

Commissioners are aspiring through strategic objectives and 5 year plans to develop an NHS that delivers positive outcomes, now and for future generations. This means reflecting the government’s objectives for the NHS set out in their mandate to us, adding our own stretching ambitions for improving health and delivering better services to go even further to tailor care to the local health economy. Providing high quality care and achieving excellent outcomes for our patients is the central focus of work for the local system and is paramount to the local system’s success.

It is felt that the priorities for quality improvement identified for the coming year are both challenging and reflective of the current issues across the health economy. We therefore commend the Trust in taking account of new opportunities to further improve the delivery of excellent, compassionate and safe care for every patient, every time.

Signed:



**Fiona Taylor, Chief Officer**  
South Sefton and Southport  
& Formby CCGs

Signed:



**Dianne Johnson,**  
Chief Executive  
Knowsley CCG

## Aintree University Hospital NHS Foundation Trust Quality Account 2017/18 Commentary

**Healthwatch Sefton would like to thank the Trust for the opportunity to comment on the draft Quality Account 2017/18. We attended the Quality Priorities engagement event (16th March 2018) which was interactive and engaging.**

On reading the draft account, our overall impression is that the style and openness of the report is to be commended. The way in which objectives have been presented to show progress year on year is really easy to read. It would have been helpful to see targets for the goals which have been set to be achieved by March 2020.

From working with the Trust we are aware that during the past 12 months, the biggest disappointment was receiving a ‘Requires Improvement’ rating from the Care Quality Commission. In the draft we were surprised that this outcome wasn’t referred to in detail (although the statement from the Chief Executive was yet to be included in the draft).

In looking at the priorities for patient safety, it was disappointing to read how a number of key priorities have not been met. For example, the increase in grade 3 and 4 pressure ulcers (four more than the previous year), however it was good to see that there had been a 5% reduction in grade 2’s. Again an increase in Clostridium difficile infections was seen with an increase of eight from last year, this area requiring improvement.

Work to reduce both the number of inpatient falls and inpatient falls leading to moderate harm and above by 5% were achieved and this reflects work undertaken by the trust.

In looking at clinical effectiveness, completion of the MUST screening tool for nutrition and hydration is still only a partial achievement. This is an area we review yearly and it would be good to see this achieved over the next 12 months.

The Trust has continued to work in partnership with Healthwatch Sefton. We regularly attend the Patient Experience Executive Led Group and we hold monthly engagement stands to gather both patient and visitor feedback.

We are aware that over the past 12 months opportunities for volunteers to support and get involved with patient experience surveys have been limited. We understand that there have been a number of leadership changes and that a revised ‘Patient Experience & Engagement strategy’ is being drafted. A Healthwatch representative attended the recent patient experience event and we welcome this strategy.

In our last feedback report we highlighted a number of areas. Staff at the trust were described as ‘professional, fantastic and courteous’. It was therefore disheartening to see that only 41% of staff (lower than the national average) would recommend the trust to their friends and family.

One of the concerns related to discharge processes. It is good to see that there are a number of areas where the Trust is reviewing discharge. The plan to develop and introduce an ‘Expected Date of Discharge Policy’ for the Trust is welcomed.

Another area identified was a lack of communication regarding medication and again we welcome the work to strengthen the ward based pharmacy teams.

Improvements to ‘end of life care’ has been an area which we have received local feedback on and it will be good to see the strategy which the trust are to develop which will hopefully look to embed end of life care.

In looking at CQUIN targets, the trust should be proud of their achievement to improve services for people with Mental Health needs presenting at A & E. Frequent attendees at the department has been an area for concern for a number of years. It would have been beneficial to have seen what 20% looks like (i.e. the number of people this related to).

With regard to staff training, we found no real detail about mandatory training for staff in non-clinical areas. In particular, those staff who are telephone based and/or on reception areas and any other patient facing facilities. Staff are often the primary contact for many patients and this can have considerable repercussions should it not be positive for a patient and/or family member, carer or friend.

The work to progress 7 day services was noted and the need moving forward, to address the gap for diagnostic testing and the impact this is having on potential discharge.

Healthwatch Sefton will continue to work in partnership with the Trust to support the on-going work to improve the overall care and services provided to both patients and their visitors, particularly those areas of work/ strategies which are to be developed in the next 12 months.

## Commentary on the Quality Account of Aintree University Hospital NHS Foundation Trust by Healthwatch Knowsley

**Healthwatch Knowsley welcomes the opportunity to provide this commentary in support of the Aintree University Hospital NHS Foundation Trust Quality Account for 2017/18. A draft copy of the Account was provided to Healthwatch Knowsley in a timely manner to allow for a response to be produced.**

Healthwatch Knowsley would like to thank the Trust for their willingness to work with Healthwatch across the year, including ongoing involvement through the Patient Experience Executive Led Group and with pieces of work linked to the redesign of the Bereavement Suite and with the Catering and Nutrition Sub-Group. This collaborative working has been a consistent theme over many years now and is very much appreciated.

Overall the Trust currently holds a patient experience rating of 4.5 out of 5 stars (good/excellent) based on the 400 comments held on the Healthwatch Knowsley online feedback centre. This rating has been collated through experience feedback provided by patients and family members. Listening Events at which we have spoken to patients and family members held within the Accident and Emergency department have also contributed to this rating. The Trust has proactively supported this work.

Whilst we understand that much of the text is mandated we found the layout and structure of the report made it very inaccessible to the public. This could be improved by consistency in the statistics and language used.

Concerns do also remain around aspects of patient safety, in particular, the Patient Safety priorities detailed around hospital acquired pressure ulcers and infection control. Further to this, pressure on staff and the capacity to deliver safe care may be reflected in the percentage of staff who would readily recommend their Trust to their friends and family.

It is felt a key concern that the Quality Account does not begin to acknowledge is around the Trust's ability to respond to the challenges of staff retention and recruitment. With the NHS facing well documented challenges relating to the recruitment and retention of key skills, it seems the quality account fails to provide a statement about this and its impact on quality. We were also surprised to note that the priorities for the coming year do not address the proposed merger with the Royal Liverpool and Broadgreen University Hospitals NHS Trust.

It is also clear to see the significant amount of achievement that has been detailed throughout the Quality Account for 2017/18 and the staff at the Trust must be commended for this. Healthwatch Knowsley wishes to place on record their appreciation of the Trust's work on behalf of our local community.

## Healthwatch Liverpool Aintree Quality Account 2017/18 Commentary

**Healthwatch Liverpool welcomes this opportunity to comment on the Quality Account of 2017/18. We base these comments on the content of this Quality Account, our ongoing engagement with the Trust and feedback received from patients and families.**

The past year has clearly been a challenging one for the Trust and this is borne out in the Quality Account.

The CQC inspection report this year has highlighted a mixed picture. Some areas, such as surgery and critical care, have scored very well, whereas others, such as medical care, require improvement.

The Trust have unfortunately missed a number of targets this year including those around rates of Clostridium Difficile infection, CPR training for staff, transfers out of critical care, and completion of the Malnutrition Universal Screening Tool (MUST).

Targets around waiting times in Accident and Emergency have also been missed, although we acknowledge this has been a particular challenge across the country and Aintree has seen an increased demand for these services in excess of the national average.

At our main Listening Event on 11th July 2017 we spoke to 74 people, many of whom praised the caring approach of staff, but some people did express concerns about staffing numbers and the negative impact that this can have on patients' experiences of care. We are due to hold a further Listening Event at the Trust this year.

Although there have been challenges for the Trust this year there have also been areas of progress.

The work done around diabetes care has reduced the incidence of diabetes-related complications and there has also been progress around sepsis screening and monitoring of deteriorating patients.

Given the pressures on Accident and Emergency services, we were encouraged to see the work being done around reducing A&E attendances for a specific group of patients with mental health conditions. We are keen to see if this progress can be maintained and perhaps rolled out to other groups of patients.

We know from feedback that the Trust has a great deal of support and loyalty from the local community. However, looking to the forthcoming year, there is clearly much for the Trust to do.

We are aware that the Trust has been doing some work around equality and diversity issues, however we are keen to see further details about this. We welcome an increased focus on both pressure ulcer prevention and end of life care. We are encouraged to see a focus on increasing staffing levels and also a commitment to improving patient experience. In terms of capacity, we feel that a system-wide conversation is needed around bed numbers and the staffing needed to sustain these.

Overall we are hopeful that the Trust can make the necessary improvements and, together with our neighbouring Healthwatch, we look forward to continuing to work closely with the Trust over the forthcoming year.

## Annex ii

### Statement of directors' responsibilities for the quality report

#### The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2017/18 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - board minutes for the period April 2017 to 31 March 2018
  - papers relating to quality reported to the board over the period April 2017 to April 2018
  - feedback from commissioners, joint response from South Sefton, Liverpool and Knowsley CCGs dated 22/05/2018
- feedback from governors dated 15/05/2018
- feedback from local Healthwatch organisations, Healthwatch Sefton dated 11/05/2018, Healthwatch Knowsley dated 21/05/2018 and Healthwatch Liverpool dated 15/05/2018
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, published April 2017 to March 2018
- the 2016 national patient survey published January 2017
- the 2017 national staff survey published March 2018
- the Head of Internal Audit's annual opinion of the trust's control environment dated 27/04/2018
- Care Quality Commission inspection reports dated 07/03/2018 and 16/03/2018
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

#### By order of the board

Date: 23 May 2018



Chairman

Date: 23 May 2018



Chief Executive

## Annex iii

### Statement from Trust Governors



**Governors have a key role in ensuring that the voice of our patients, members and local community is at the heart of the Trust's decision-making. This provides an opportunity for Governors to get involved where appropriate in the quality initiatives and improvement work undertaken by the Trust during the course of the year.**

One of the responsibilities of the Council of Governors is to approve the local quality indicator for the purpose of external audit (as detailed on page 118 of the detailed requirements for the external assurance for quality reports 2017/18). Governors discussed this at a session in February 2018 and subsequently ratified their decision at the formal Council of Governors' meeting in March 2018. At the same time we, as Governors, were also able to look back at the performance on our quality objectives over the year, which are also reviewed by the Governor-led Quality of Care Committee on a quarterly basis.

In 2017/18, Governors continued to support and contribute to improving the quality of care that the Trust provides through,

for example, the Patient-Led Assessments of the Care Environment and the ever evolving work on discharge planning including the Multi-Disciplinary Accelerated Discharge Event. Governors are also involved in other collaborative initiatives – for example, the Catering Food Quality Group. More recently, Governors have supported the Bowel Cancer Screening programme with one of our Public Governors acting as a champion for the promotion of this important health issue. We participated in the Quality Conversation event with staff and stakeholders and took the opportunity to review the content of the Quality Account at two sessions in March and April 2018. There has also been an opportunity for Governors to be part of the Aintree Champions Excellence (ACE) Panel which assessed those wards achieving three consecutive Green ratings and their application to achieve ACE status. We have also been provided with bespoke training sessions from executive directors and senior managers on Finance, Safeguarding, Serious Incidents and Complaints which have provided Governors with further insight into the systems

and processes within the Trust. This training is an important part of the Governor programme as it deepens our knowledge and gives us the opportunity to challenge the quality agenda.

At the Governor-led Quality of Care Committee, executive directors and senior managers are asked to provide information to assist Governors in understanding, supporting and engaging with the three key elements of the Trust's Quality Strategy (i.e. care that is safe, care that is clinically effective and provides a positive experience for patients and their families). At formal Council of Governors' meetings, Governors have the opportunity to challenge the Non-Executive Directors and seek assurance on quality, performance and system issues. We also take part in the Director Walk Rounds which provide an opportunity for Governors to observe how the Trust is working and how the Quality Strategy and its Quality Priorities are being delivered.

Governors keep themselves abreast of local and national developments by attending local and regional externally facilitated workshops and seminars, where appropriate, enabling them to be more informed when reviewing Aintree's Quality Account which they do at the beginning of each financial year. Governors also comment on the accessibility of the Quality Account for members and wider stakeholder groups.

Signed on behalf of Aintree's Council of Governors



Pamela Peel-Read  
Lead Governor



# Independent Auditor's Limited Assurance Report to the Council of Governors of Aintree University Hospital NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Aintree University Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Aintree University Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and specified performance indicators contained therein.

### Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance (the "specified indicators") marked with the **A** symbol in the Quality Report, consist of the following national priority indicators as mandated by Monitor:

Specified Indicators	Specified indicators criteria (Monitor's Detailed Guidance)
Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer of discharge	In line with the definition included within NHS Improvement's "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18" Annex C (page 24)
Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period	In line with the definition included within NHS Improvement's "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18" Annex C (page 23)

### Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the specified indicators criteria referred to on pages of the Quality Report as listed above (the "Criteria"). The Directors are also responsible for the conformity of their Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the "Detailed requirements for quality reports for foundation trusts 2017/18" issued by Monitor (operating as NHS Improvement) ("NHSI").

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- The Quality Report is not consistent in all material respects with the sources specified below; and

- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18".

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18"; and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with the following documents:

- Board minutes for the period, April 2017 to April 2018;
- Papers relating to quality report reported to the Board over the period April 2017 to April 2018;
- Feedback from the Commissioners, joint response from South Sefton, Liverpool and Knowsley CCGs dated 22/05/2018;
- Feedback from Governors dated

15/05/2018;

- Feedback from Local Healthwatch organisations, Healthwatch Sefton dated 11/05/2018, Healthwatch Knowsley dated 21/05/2018 and Healthwatch Liverpool dated 15/05/2018;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, published April 2017 – March 2018;
- The 2016 national patient survey published January 2017;
- The 2017 national staff survey published March 2018;
- The Head of Internal Audit's annual opinion over the Trust's control environment dated 27/04/2018; and
- Care Quality Commission inspection, dated 19/02/2018.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

### Our Independence and Quality Control

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Use and distribution of the report

This report, including the conclusion, has been prepared solely for the Council of Governors of Aintree University Hospital NHS Foundation Trust as a body, to assist the Council of Governors in reporting Aintree University Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Aintree University Hospital NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

### Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000 (Revised)'). Our limited assurance procedures included:

- reviewing the content of the Quality Report against the requirements of the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";

- reviewing the Quality Report for consistency against the documents specified above;
- obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
- making enquiries of relevant management, personnel and, where relevant, third parties;
- considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
- performing limited testing, on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures; and
- reading the documents.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

### Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read

the Quality Report in the context of the assessment criteria set out in the FT ARM and "Detailed requirements for quality reports for foundation trusts 2017/18" and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by NHSI. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Aintree University Hospital NHS Foundation Trust.

### Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that for the year ended 31 March 2018:

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18".

*PricewaterhouseCoopers LLP*  
**PricewaterhouseCoopers LLP**  
 Manchester  
 25 May 2018

The maintenance and integrity of Aintree University Hospital NHS Foundation Trust's website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

### The National Clinical Audits and National Confidential Enquiries that Aintree University Hospital NHS Foundation Trust was eligible to participate in during 2017/18 are:

- BAUS Urology Audits – Nephrectomy audit
- BAUS Urology Audits – Percutaneous Nephrolithotomy (PCNL)
- BAUS Urology Audits – Urethroplasty Audit
- Cardiac Rhythm Management (CRM)
- Case Mix Programme (CMP)
- Elective Surgery (National PROMs Programme)
- Endocrine and Thyroid National Audit
- Falls and Fragility Fractures Audit programme (FFFAP) – Inpatient Falls
- Falls and Fragility Fractures Audit programme (FFFAP) – National Hip Fracture Database
- Fractured Neck of Femur (care in emergency departments)
- Head and Neck Cancer Audit
- Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit.
- Learning Disability Mortality Review Programme (LeDeR)
- Major Trauma Audit
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Acute Heart Failure
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Cancer in Children, Teens and Young Adults
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Perioperative diabetes
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Pulmonary embolism
- Myocardial Ischaemia National Audit Project (MINAP)
- National Audit of Breast Cancer in Older People (NABCOP)
- National Audit of Dementia (in General Hospitals)
- National Bowel Cancer (NBOCA)
- National Cardiac Arrest Audit (NCAA)
- National Chronic Obstructive Pulmonary Disease (COPD) Audit programme – Pulmonary rehabilitation
- National Chronic Obstructive Pulmonary Disease (COPD) Audit programme – Secondary Care
- National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI)
- National Comparative Audit of Blood Transfusion programme – Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients
- National Comparative Audit of Blood Transfusion programme – National Comparative Audit of Transfusion Associated Circulatory Overload (TACO)
- National Diabetes Audit – Foot Care Audit
- National Diabetes Audit – Inpatient Audit (NaDia)
- National Diabetes Audit – Core Diabetes Audit
- National Emergency Laparotomy Audit (NELA)
- National Heart Failure Audit
- National Joint Registry (NJR)
- National Lung Cancer Audit (NLCA)
- National Oesophago-gastric Cancer (NOGCA)
- National Ophthalmology Audit – Adult Cataract surgery
- National Prostate Cancer Audit
- Procedural Sedation in Adults (care in emergency departments)
- Sentinel Stroke National Audit programme (SSNAP)
- Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme
- UK Parkinson’s Audit

### The National Clinical Audits and National Confidential Enquiries that Aintree University Hospital NHS Foundation Trust participated in during 2017/18 are:

- BAUS Urology Audits – Percutaneous Nephrolithotomy (PCNL)
- BAUS Urology Audits – Urethroplasty Audit
- Cardiac Rhythm Management (CRM)
- Intensive Care National Audit and Research Centre Case Mix Programme (CMP)
- Elective Surgery (National PROMs Programme)
- Endocrine and Thyroid National Audit
- Falls and Fragility Fractures Audit programme (FFFAP) – Inpatient Falls
- Falls and Fragility Fractures Audit programme (FFFAP) – National Hip Fracture Database
- Fractured Neck of Femur (care in emergency departments)
- Head and Neck Cancer Audit
- Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit.
- Learning Disability Mortality Review Programme (LeDeR)
- Major Trauma Audit
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Acute Heart Failure
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Cancer in Children, Teens and Young Adults
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Perioperative diabetes
- Medical and Surgical Clinical Outcome Review Programme (NCEPOD) – Pulmonary embolism
- Myocardial Ischaemia National Audit Project (MINAP)
- National Audit of Breast Cancer in Older People (NABCOP)
- National Bowel Cancer (NBOCA) Contract until March 2018.
- National Cardiac Arrest Audit (NCAA)
- National Chronic Obstructive Pulmonary Disease (COPD) Audit programme – Pulmonary rehabilitation
- National Chronic Obstructive Pulmonary Disease (COPD) Audit programme – Secondary Care
- National Comparative Audit of Blood Transfusion programme – Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients
- National Comparative Audit of Blood Transfusion programme – National Comparative Audit of Transfusion Associated Circulatory Overload (TACO)
- National Diabetes Audit – Foot Care Audit
- National Diabetes Audit – Inpatient Audit (NaDia)
- National Diabetes Audit – Core Diabetes Audit
- National Emergency Laparotomy Audit (NELA)
- National Heart Failure Audit
- National Joint Registry (NJR)
- National Lung Cancer Audit (NLCA)
- National Oesophago-gastric Cancer (NOGCA)
- National Ophthalmology Audit – Adult Cataract surgery
- National Prostate Cancer Audit
- Procedural Sedation in Adults (care in emergency departments)
- Sentinel Stroke National Audit programme (SSNAP)
- Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme
- UK Parkinson’s Audit

## Glossary of Terms

aBI	Aintree Business Intelligence	HAWD	Hand Washing	PbR	Payment by Results	SIGMA	Hospital Patient Administration System
ACE	Part of the Aintree Assessment & Accreditation process	HCAI	Healthcare Acquired Infection	RAG	Red Amber Green (traffic light scoring system)	SOP	Standard Operating Procedure
ACS	Average Care Score	HLO	High Level Objective	R & D	Research and Development	SUI	Serious Untoward Incident
AED	Accident & Emergency Department	HR	Human Resources	RCA	Root Cause Analysis	TARN	Trauma Audit and Research Network
AKI	Acute Kidney Injury	HSCA	Health and Social Care Act	RN	Registered Nurse	Unify2	National Reporting Hub
AMBER	Assessment, Management, Best Practice, Engagement, Recovery Uncertain	HSMR	Hospital Standardised Mortality Rate	RTT	Referral to Treatment Time	UTI	Urinary Tract Infection
AMU	Acute Medical Unit	ICD-10	International Classification of Diseases	SSNAP	Sentinel Stroke National Audit Programme	VTE	Venous-Thromboembolism
AQ	Advancing Quality	IPC	Infection Prevention & Control	SALT	Speech and Language Therapy	WCNN	Walton Centre for Neurology and Neurosurgery
AQuA	Advancing Quality Alliance	IV	Intravenous	SHMI	Summary Hospital Level Mortality Indicator	WHO	World Health Organisation
AQuIP	Aintree Quality Improvement Plan	Intentional Rounding	Comfort rounds on wards	SBAR	Situation, Background, Assessment, Recommendation	YTD	Year to date
AQuIS	Aintree Quality Improvement Schedule	JAC	Electronic Prescribing System				
ARLD	Alcohol Related Liver Disease	KPI	Key Performance Indicator				
AUH	Aintree University Hospital NHS	LCH	Liverpool Community Health				
BGM	Blood Glucose Monitoring	LDP	Liverpool Diabetes Partnership				
CCG	Clinical Commissioning Group	LOCSSIPS	Local Safety Standards for Invasive Procedures				
C.Difficile	Clostridium Difficile	MAU	Medical Assessment Unit				
CDI	Clostridium Difficile Infection	MDT	Multi-Disciplinary Team				
CNS	Clinical Nurse Specialist	MET	Medical Emergency Team				
COPD	Chronic Obstructive Pulmonary Disease	MEWS	Modified Early Warning System				
CAP	Community Acquired Pneumonia	MRSA	Methicillin-Resistant Staphylococcus Aureus				
CPS	Composite Process Score	MFU	Maxillo Facial Unit				
CQC	Care Quality Commission	MSSA	Methicillin Sensitive Staph Aureus				
CQUIN	Commissioning for Quality and Innovation (payment framework)	MUST	Malnutrition Universal Screen Tool				
CRIS	Clinical Radiology Information System	NATSSIPS	National Safety Standards for Invasive Procedures				
CRBSI	Catheter Related Bloodstream Infection	NCEPOD	National Confidential Enquiry into Patient Outcome and Death				
CSP	Co-ordinated Systems for gaining NHS Permission	NEWS	National Early Warning Score				
CRN	Clinical Research Network	NICE	National Institute for Clinical Research				
CTC	Computer Tomography Colonography	NIHR	National Institute for Health Research				
CXR	Chest X Ray	NIHSS	National Institute of Health Stroke Score				
DNACPR	Do Not Attempt Cardiopulmonary Resuscitation	NPS	National Patient Survey				
DT	Diabetes Team	NWC CRN	North West Coast Clinical Research Network				
DVT	Deep Vein Thrombosis	ORMIS	Operating Room Management Information System				
E4E	Energise for Excellence	OT	Occupational Therapy				
ED	Emergency Department	PAS	Patient Administration System				
EDS	Equality Delivery System	PDSA	Plan, Do, Study, Act				
ENP	Emergency Nurse Practitioner	PE	Pulmonary Embolism				
FFT	Friends and Family Test	PID	Performance Information Delivery				
FNOF	Fractured Neck of femur	PLACE	Patient Led Assessments of the Care Environment				
GP	General Practitioner	PROMS	Patient Reported Outcomes				
HAT	Hospital Acquired Thrombosis						



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# 4



## Governance & Organisational Arrangements

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## Governance & Organisational Arrangements

Corporate governance relates to the processes, customs, policies, laws, and institutions which have an impact on the way an organisation is controlled. An important theme of corporate governance is the nature and extent of accountability of people in the business, and mechanisms that try to decrease the risks. This section details the organisational arrangements in place to deliver good corporate governance.

### Code of Governance

**Aintree University 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 Board confirms that the Trust complies with all provisions of the Code of Governance.

### Council of Governors

**The Trust's relationship with its Governors, and through them with its members, is constructive and useful. It provides valuable public accountability for the work of the Trust.**

The Council of Governors and the Board of Directors have a clear understanding of the roles and responsibilities of each party in accordance with the Constitution. The Board of Directors' role is to manage the business of the Trust and the Council of Governors is responsible for representing the interests of public and staff members, and local partner organisations in the governance of the Trust. Amongst other statutory duties, the Council of Governors holds the non-executive directors to account for the performance of the Board of Directors and appoints the Chairman and Non-Executive Directors (NEDs), and the Trust's external auditors. The Council of Governors also approves the appointment of the Chief Executive, the remuneration and terms of office of the Chairman and Non-Executive Directors, receives the Trust's annual report and accounts and gives views and advice on the forward plans of the Trust. The Trust's Constitution details the process to be adopted should there be any disagreement between the Council of Governors and the Board of Directors and how this would be resolved.

During 2017/18, the Non-Executive Directors continued with the practice adopted since October 2015 of giving presentations to the Council of Governors on the key issues and assurance they have received on the Trust's financial and operational performance, quality and safety and audit committee activity. Updates are also provided at formal Council meetings on the Trust's strategic direction and activity by the Chairman and Chief Executive. This provides Governors with the opportunity to hold the NEDs to account for the performance of the Board, and to seek further advice and clarification, if required. This approach also assists Governors in their appraisal of the NEDs. Details of key issues discussed at each formal Council of Governors' meeting are submitted to the Board of Directors. Furthermore, the Chairman holds a feedback session with Governors on key matters arising from the Board's discussions at its formal meetings. The Governors, in turn, recognise their responsibility for regularly feeding back information about the Trust, its vision and performance to their constituencies and partner organisations.

The Governors have input into the Annual Business Plan through discussions with the Trust on the priorities for development and improvement of the organisation, as seen by their constituencies and

partner organisations. This information impacts positively and materially on the preparation of the Trust's Annual Business Plan. Each year, the Governors and members are presented with the Annual Report and Accounts and the Annual Plan at the annual members' meeting. Governors are also involved in reviewing the Quality Account providing feedback on its content and contributing to the statement from the Lead Governor on governor activity and involvement during the year in support of the Trust's quality improvements.

In addition to the Governor-Led Membership Committee, a Governor-Led Quality of Care Committee acts as a central point for work involving the care and safety of patients. It also enables Governors to become better informed on issues of concern to members and the public.

The Council of Governors consists of the Chairman of the Trust and 21 elected and appointed Governors. All elected governors have a three year term of office. Elections for appointment as an elected governor were undertaken during January to March 2018 with the successful candidates taking up office with effect from 1 August 2018. The elections were administered by the Electoral Reform Society in accordance with the model election rules in the Trust's Constitution.

Elected Governors			
Public Governors	Term of Office	Expiry Date	Attendance at Council of Governors' Meetings
Tracey Barnes	3 years	31 July 2018	3/4
Sharon Bird	3 years	31 July 2018	3/4
Mike Bowker	3 years	31 July 2020	0/4
Tony Byrne	3 years	31 July 2018	3/4
Elaine Carter	3 years	31 July 2020	3/3
Jennifer Ensor	3 years	31 July 2020	3/3
Jim Ford	3 years	31 July 2020	2/3
Ray Humphreys	3 years	31 July 2020	3/3
Tony Kneebone	3 years	31 July 2018	3/4
Colin Maher	3 years	31 July 2020	1/3
Rose Milnes	3 years	31 July 2020	1/4
Julie Naybour	3 years	31 July 2018	1/4
Pamela Peel-Reade	3 years	31 July 2020	3/4
Rosemary Urion	3 years	31 July 2018	3/4

Elected Governors			
Staff Governors	Term of Office	Expiry Date	Attendance at Council of Governors' Meetings
Helen Frankland (Nursing)	3 years	31 July 2018	2/4
Lorraine Heaton (AHP / Scientists)	1 year*	31 July 2018	3/4
Kerry McManus (All Other Staff)	3 years	9 March 2021	4/4
Andrew Swift (Medical)	3 years	9 March 2021	1/4

Appointed Governors			
Barbara Hunter-Douglas (Edge Hill University)	3 years	31 July 2018	1/4
CLLr Paul Cummins (Sefton MBC)	3 years	31 July 2018	2/4
Professor John Wilding (University of Liverpool)	3 years	31 July 2018	3/4

Table 12: Composition of the Council of Governors \* term extended for 12 months following resignation of elected candidate from this constituency

Pamela Peel-Reade was re-appointed as Lead Governor with effect from 1 August 2017.

Members of the public can gain access to the Register of Governors Interests by writing, telephoning or emailing the Trust Headquarters:

Aintree University Hospital NHS Foundation Trust, Aintree Lodge, Lower Lane, Liverpool L9 7AL.

Telephone: 0151 529 4766

E-mail: [governors@aintree.nhs.uk](mailto:governors@aintree.nhs.uk).

## Nominations Committee

The Council of Governors Nominations Committee met on one occasion in 2017/18 and made recommendations to the Council of Governors in relation to the re-appointment of a Non-Executive Director (NED) and the extension of contract for another NED.

The Trust's approach to non-executive director appointments is to engage with key stakeholders via focus groups, followed by an interview with the Nominations Committee. A formal recommendation is then taken to the Council of Governors for approval. There were no external appointments in 2017/18.

Members' attendance was as follows:

Member	Attendance
Neil Goodwin (Chair)	1/1
Paul Cummins	1/1
Tony Kneebone	1/1
Pamela Peel-Reade	1/1
Rose Milnes	1/1

Table 13: Nominations Committee Member Attendance

## Membership & Membership Committee

The Trust aims to build a successful Membership Scheme as an integral part of its vision to be a leading provider of the highest quality health care. The Council of Governors has a Membership Committee to lead the process of developing and implementing the Membership Scheme and ensure a representative membership. The Membership Committee has adopted a strategy of membership engagement as well as targeted recruitment, predominantly aimed at low represented groups.

The membership engagement strategy was approved in 2015/16, with a view to encouraging more Governors to participate in membership engagement. To support this, a toolkit was developed for Governors to use which includes template presentations and key information about the Trust. During 2017/18, the Membership Committee, supported by the Trust, continued to develop relationships with the Get Involved with Aintree Group of members who have expressed an interest in being more involved in activities within the hospital. A calendar of Trust events/activities is made available to the group who are encouraged to get involved with support being provided by Governors and the Trust to ensure that there is appropriate interaction. A number of Governors have taken the opportunity to use a membership stand in locations within the hospital to engage with and obtain the views from members and the general public about the governor role and the services provided by the hospital as well as recruit new members through this interaction.

Membership presentations continue at the Trust's volunteers' induction. As the Trust has no paediatric services and patients are generally older, this provides an opportunity to attract younger FT members. In line with the aim of engaging more members through digital and social media, an electronic version of the member newsletter was circulated on a quarterly basis to the 1,000+ FT public members who have provided the Trust with an email address. Furthermore, a Staff Governor regularly attends the Trust's monthly Corporate Induction with the Chairman

and Chief Executive to promote the benefits of membership to new members of staff, as well as highlighting the role of the Staff Governor.

In 2017/18, the number of FT public members increased from 8,543 to 8,711. Membership figures are set out in the table below:

FT members as of 31 March 2018, by constituency	
Public	8,711
Allied Health Professionals/Scientists	695
All Other Staff	2,523
Medical Staff	407
Nursing Staff	1,291
Staff total	4,916
<b>Total membership (public and staff)</b>	<b>13,627</b>

Table 14: Membership Numbers (31 March 2018)

The Trust's Constitution includes the eligibility requirements for staff and identifies the boundaries for public membership.

The Membership Strategy is available on request. Members of the public wishing to contact Governors can do so by writing, telephoning or emailing the Corporate Governance Team:

Aintree University Hospital NHS Foundation Trust,  
Lower Lane, Liverpool, L9 7AL

Telephone: 0151 529 4766  
e-mail: [governors@aintree.nhs.uk](mailto:governors@aintree.nhs.uk)

## Board of Directors

The Board of Directors comprises six Non-Executive Directors, including the Chairman and up to five Executive Directors, including the Chief Executive. The Board of Directors has overall responsibility for strategic development, approving policy and monitoring performance. This includes ensuring the delivery of effective financial stewardship, high standards of clinical and corporate governance and promoting effective relations with the local community served by the Trust.

The Board has a formal schedule of matters reserved for Board decisions. Some decisions are delegated to its Board committees and these are clearly set out in those committees' terms of reference, which are reviewed regularly by the Board. The Board has the following committees in place:

- Audit
- Quality
- Finance & Performance
- Remuneration and Nominations
- Charitable Funds.

All Directors have full and timely access to relevant information to enable them to discharge their responsibilities. The Board of Directors meets monthly and at each formal meeting reviews the Trust's key performance information, including reports on quality and safety, patient experience and care, operational activity, financial analyses and strategic matters.

The Board of Directors monitors compliance with the Trust's objectives and is responsible for approving major capital investment and any borrowing. It meets with the Trust's Council of Governors, senior clinicians and divisional managers, and uses external advisors to facilitate strategic discussion.

The Board of Directors considers that its composition is appropriate with a balanced spread of expertise to fulfil its function and terms of authorisation, with the Chairman and Non-Executive Directors meeting the independence criteria laid down in the NHS Foundation Trust Code of Governance. The Trust continued to ensure that all Board Directors met the criteria of the Fit & Proper Persons Test. The performance of the

Executive Directors is evaluated by the Chief Executive, and that of the Chief Executive and Non-Executive Directors by the Chairman, on an annual basis.

The Trust has a formal, rigorous and transparent procedure for the appointment of directors, both executive and non-executive. Appointments are made on merit, based on objective criteria. Assurances are sought from non-executive director candidates that they have sufficient time to fulfil their duties. Appointments among non-executive directors are reviewed annually and their terms of office are staggered over three years to ensure an orderly succession to the Board. Non-Executive Director appointments may be terminated on performance grounds or for contravention of the qualification criteria set out in the Constitution, with the approval of three-quarters of the members of the Council of Governors, or by mutual consent for other reasons. The Trust uses either an external search consultancy or open advertising in relation to board appointments.

The Trust's Executive Team provides organisational leadership and takes appropriate action to ensure that the Trust delivers its strategic and operational objectives. It maintains arrangements for effective governance throughout the organisation, monitors performance in the delivery of planned results and ensures that corrective action is taken when necessary. The Hospital Management Board (HMB) includes senior managers and clinicians in its membership and supports the Chief Executive in providing assurance to the Board of Directors on the direction and operational management of the Trust. The HMB takes on the leadership of the Trust in developing the overall strategy and ensuring delivery of strategic objectives and mitigation of risk through a focus on clinical quality, performance and delivery.

### Board Leadership and Development

The performance of the Board Committees was kept under review through regular reports submitted to the Board of Directors and through a review of their terms of reference

and evaluation of their effectiveness. In December 2016 through to March 2017, Deloitte LLP undertook a Well-Led Governance Review (WLGR) of the Trust and their final report was submitted to the Board in April 2017. A number of areas of good practice were identified as well as areas with scope for further enhancement and development. This subsequently led to an action plan being developed which identified how each of the recommendations would be taken forward and the Board received quarterly updates on progress.

The WLGR and assessment of delivery of the Board Objectives provided the Board with the opportunity to discuss its performance and agree what could be moved forward as business-as-usual and what required greater focus in 2018/19 to further enhance its on-going Board Development Programme.

During 2017/18, the Board continued with its Engagement Programme which includes:

- Director Walk Rounds – Executive Directors, Non-Executive Directors and Governors visit each of the wards and departments within the hospital to learn more about the daily challenges they face as well as the improvements made and achievements to date
- Ask the Board – provides staff with the opportunity to ask questions on any subject matter with answers provided each month via the intranet and internal communications
- Conversations with the Board – provides an opportunity for the Board to hear the views of staff from each of the Divisions on key issues arising from the Staff Survey and patient safety.

Feedback mechanisms are in place and, in conjunction with observations from the Well Led Governance Review, these will be taken forward into further development of the Programme in 2018/19.

Directors may seek individual professional advice or training at the Trust's expense in the furtherance of their duties. The Board has direct access to the Director of Corporate Governance/Board Secretary who advises on compliance with relevant

regulations and ensures that Board and Committee procedures are followed. The proceedings at all Board and Committee meetings are fully recorded, enabling any concerns of Directors to be minuted. The appointment or removal of the Director of Corporate Governance/ Board Secretary is a matter for the Board as a whole.

There is a clear division of responsibilities between the chairman

and chief executive. The chairman is responsible for the leadership of the Board of Directors and Council of Governors, ensuring their effectiveness individually, collectively and mutually. The chairman is also responsible for ensuring that members of the Board of Directors and Council of Governors receive accurate, timely and clear information appropriate for their respective duties and for effective communication

with patients, members, clients, staff and other stakeholders. It is the chairman's role to facilitate the effective contribution of all directors, ensuring that constructive relationships exist between them and the Council of Governors. The chief executive is responsible for the performance of the executive directors, the day to day running of the Trust and implementing approved strategy and policy.

## Board of Directors' Pen Portraits



Committee membership is indicated by the following symbols:

Audit Committee	▲	Quality Committee	◆
Remuneration & Nominations Committee	□	Charitable Funds Committee	■
Finance & Performance Committee	●		

### Dr Neil Goodwin, CBE Chairman



Neil is an experienced board chair, leadership academic and a former chief executive in the NHS. He was appointed Chairman from October 2014 having previously been a non-executive director of the Trust. Neil also chairs the Board of Onward Homes Ltd (previously Symphony Housing Group) and the Eastern & Central Cheshire Partnership Board and has been interim chair of Liverpool Health Partners since November 2017.

Neil has been an NHS university hospital and strategic health authority chief executive. As a leadership academic Neil was visiting professor of leadership studies at Manchester Business School for over ten years, when he also consulted on strategy and leadership development, and undertook confidential inquiries into board governance. He is the author of Leadership in Healthcare, the first book of its kind set in a European context. Neil holds postgraduate degrees from London and Manchester Business Schools and in 2007 he was appointed CBE for services to the NHS.

### Steve Warburton Chief Executive



Steve was appointed Chief Executive in December 2015, having previously been Acting Chief Executive from 1 April 2015. Prior to that, Steve was Director of Finance & Business Services/ Deputy Chief Executive. Before joining Aintree University Hospital in July 2006, he was the Director of Finance & Performance/Deputy Chief Executive at South Sefton Primary Care Trust and before that, Deputy Director of Finance at the Royal Liverpool Children's NHS Trust. Steve joined the NHS in 1989 as a Graduate Finance Trainee and qualified as an accountant in 1993.

### Dianne Brown Chief Nurse



Dianne trained in the 1980s with Wrightington, Wigan and Leigh NHS Trust and then chose to specialise in women's health, working at Billinge Hospital for seventeen years in all areas of women's health including reproductive medicine, general gynaecology and early pregnancy.

An experienced Board Director, Dianne joined Aintree in April 2017, following her previous role of Director of Nursing and Midwifery at Liverpool Women's NHS Foundation Trust which she held for three years. She has had a variety of leadership and managerial roles prior to her successful appointment as Director of Nursing and Quality here at the Trust.

Dianne is passionate about providing safe, effective and compassionate care for all patients and their families at Aintree University Hospital NHS Foundation Trust.

### Joanne Clague Non-Executive Director



Joanne is Director of Operations in the Faculty of Biology, Medicine and Health at the University of Manchester, having previously been the Chief Operating Officer at the Academic Health Science Network. Prior to that she was Director of Operations for the Faculty of Health and Life Sciences at the University of Liverpool. As a member of the University of Liverpool's Senior Executive Group, Joanne provided leadership for the delivery of world-leading research excellence, a dynamic knowledge exchange economy contribution, and a first-rate staff and student experience. Having undertaken her professional training with Deloitte, Joanne is a qualified chartered accountant with 14 years of post-qualification experience and significant experience of leading transformational change. Joanne joined the Aintree Board in April 2015 and has previous experience as a Non-Executive Director and Chair of Finance Committee in both the charitable and independent school sectors.

### Dr Tristan Cope Medical Director



Tristan was appointed Medical Director in April 2017. He graduated from Aberdeen University in 1992 and subsequently trained in Anaesthesia and Intensive Care Medicine in North Wales and Merseyside.

He was appointed as a Consultant in Anaesthesia and Critical Care at Aintree in 2001, and has held positions as Clinical Director of Critical Care, Clinical Director of Anaesthesia, Director of the Cheshire and Mersey Simulation Centre, Clinical Head of Division of Surgery and most recently Deputy Medical Director. Tristan received a Master's degree in Medical Leadership from Birkbeck, University of London. He has particular interests in Human Factors and leadership development. In addition to his duties as Medical Director, Tristan continues to work part time as a consultant in Critical Care Medicine.

### David Fillingham, CBE Non-Executive Director / Deputy Chairman



David was appointed as the first Chief Executive of AQuA (Advancing Quality Alliance) in April 2010. AQuA is a membership funded improvement organisation based in the North West of England. Its mission is to support its members to improve health and the quality of healthcare.

David joined the NHS in 1989 from a career in manufacturing. He went on to take a number of Chief Executive posts including Wirral FHSA, St Helens and Knowsley Health Authority, North Staffordshire Hospitals NHS Trust, and Royal Bolton Hospital NHS FT. From 2001 to 2004 David was Director of the NHS Modernisation Agency developing new ways of working and promoting leadership development across the NHS as a whole. He was awarded the CBE for this work. David is also a Visiting Senior Fellow at The King's Fund. He was appointed to the Board in October 2013.

**Tim Johnston**  
Non-Executive Director



Tim was appointed to the Board in January 2013 and became the Deputy Chairman in November 2013, a position he relinquished in December 2014. He is a graduate economist and a Chartered Accountant. He is a major shareholder and senior partner in AMION Consulting – an economics and business planning consultancy. Tim was previously the National Partner in KPMG with responsibility for its Infrastructure and Government line of business. He was also a leading partner in KPMG's national regeneration team. He is a non-executive Director of Network Space Holdings Ltd and Network Space Developments Ltd and Chairman and Director of Langtree Property Partners Ltd, a national commercial property developer. He is also a Director of The Big Trust.

**Ian Jones**  
Director of Finance & Business Services



Ian was appointed Director of Finance & Business Services in December 2015, having previously been acting up in that role since April 2015. Ian was previously the Deputy Director of Finance at Aintree. He is a qualified Chartered Accountant, having trained with a major national firm, before moving into the NHS in 1993.

**Kevan Ryan**  
Non-Executive Director



Kevan was appointed to the Board in November 2015. He is an experienced solicitor and in his current role as the Director of Legal, Risk & Compliance at the University of Liverpool, he is responsible for providing strategic legal advice to the University, as well as providing direction and oversight to the various risk and compliance functions. He previously worked as a commercial solicitor with leading national law firms, Eversheds and Addleshaw Goddard and in-house with Royal Liver Assurance and Royal & Sun Alliance.

**Angie Smithson**  
Deputy Chief Executive / Integration Director



Angie joined Aintree as Chief Operating Officer in April 2014 and was appointed Deputy Chief Executive in December 2015. Angie subsequently became Integration Director in October 2017. She was previously Chief Operating Officer/Deputy Chief Executive at Northern Lincolnshire & Goole NHS Foundation Trust, where she had also held the posts of Director of Operations and Director of Service and Business Development from 2008. Angie qualified from Cambridge & Huntingdon School of Nursing in 1989 and held a variety of nursing posts in London hospitals before moving into general management roles, including a brief spell in the private sector. During this period Angie received an MBA from Kingston University.

**Mandy Wearne**  
Non-Executive Director



Mandy set up her own independent company, six years ago, to continue to inspire excellence in the quality of care experience. She has an extensive background in NHS leadership, management, clinical practice and public health, working in a variety of health care settings. She has held a number of executive director roles, including health care strategy, performance, and provider and market development, as well as being policy advisor to the Department of Health (DH) on the development of social value led provider models. As the first regional director of service experience in England in 2008, she led the DH Patient Experience Policy Programme working on the development of national indicators and a review of the national survey architecture. Acclaimed as a passionate and practical force for change, she was nominated for the NHS Inspiration Leadership Award in 2010. Mandy is committed to supporting NHS leadership and service experience improvement through her role as an executive coach and mentor to many aspiring and future leaders. She joined the Board as a Non-Executive Director in January 2017 and from April became the Chair of the Quality Committee.

**Sue Green**  
Director of People & Corporate Affairs <sup>4</sup>



Sue was appointed as Director of People and Corporate Affairs on 1 August 2014. She started her career in 1986 when she joined Wirral Council's Personnel Department, achieving Postgraduate CIPD in 1992. Sue moved into Higher Education in 2000 and held the position of Deputy Director of Personnel at the University of Liverpool before joining the NHS in 2003 as a Deputy Director of HR and Project Director for the Foundation Trust application and subsequently the Director of HR & Organisational Development at Wirral University Teaching Hospital NHS Foundation Trust for six years. Sue left the Trust in March 2018.

**Beth Weston**  
Acting Chief Operating Officer (with effect from October 2017) <sup>5</sup>



Beth joined the Trust in April 2015 and was appointed Acting Chief Operating Officer in October 2017. She previously worked at Central Manchester University Hospitals (CMFT) for 12 years as Director for a number of hospitals, more latterly as Director of Trafford Hospital following its acquisition by CMFT in 2011. Beth joined the NHS in 1995 and graduated from the NHS Graduate Management Training Scheme in 1997. During this period Beth also graduated from Manchester University with a Masters in Managing Healthcare Organisations.

	Date of Appointment	Date of appointment for 2nd term (if applicable)	Length of Appointment
<b>Non-Executive Director</b>			
Neil Goodwin	April 2014	April 2017	3 years
Joanne Clague	April 2015	April 2018	3 years
David Fillingham	October 2013	October 2016	3 years
Tim Johnston	January 2013	January 2016	3 years
Kevan Ryan	November 2015	N/A	3 years
Mandy Wearne	January 2017	April 2018	2 years

	Title	Date of Appointment
<b>Executive Director</b>		
Steve Warburton	Chief Executive	December 2015
Dianne Brown	Chief Nurse	April 2017
Tristan Cope	Medical Director	April 2017
Sue Green	Director of People & Corporate Affairs	August 2014 <sup>1</sup>
Ian Jones	Director of Finance & Business Services	December 2015
Angie Smithson	Deputy Chief Executive/Integration Director	April 2014 <sup>2</sup>
Beth Weston	Acting Chief Operating Officer	October 2017 <sup>3</sup>

Table 15: Board Members' Terms of Office

<sup>1</sup> Sue Green left the Trust with effect from 28 March 2018

<sup>2</sup> Angie Smithson relinquished the Chief Operating Officer post in October 2017 but retained her Board position as Deputy Chief Executive to enable her to focus on the role of Integration Director

<sup>3</sup> Beth Weston took on the role of Acting Chief Operating Officer for a period of twelve months.

Non-Executive Directors are required to give the Trust three months' notice of their intention to leave. The Trust's Constitution also refers to the Council of Governors' ability to remove the Chairman and other Non-Executive Directors should the need arise.

Executive Board members are employed on a permanent basis and are required to work a notice period of six months.

<sup>4</sup> Non-voting member      <sup>5</sup> Non-voting member



## Board & Board Committees

Member	Board of Directors	Committees					Council of Governors	Annual Members Meeting
		Audit	Remuneration & Nominations Committee	Quality Committee	Finance & Performance Committee	Charitable Funds		
Neil Goodwin	7/8		4/5				3/4	1/1
Dianne Brown	7/8			7/11	5/11		1/1	1/1
Joanne Clague	7/8	4/5	4/5		11/11		3/4	1/1
Tristan Cope	7/8			8/11	3/11		2/4	1/1
David Fillingham	7/8		4/5	7/11	6/11		2/4	0/1
Sue Green	7/8			7/11	8/11		2/4	1/1
Tim Johnston	8/8	5/5	5/5		10/11	4/4	3/4	1/1
Ian Jones	7/8			7/11	10/11	4/4	2/4	1/1
Mandy Wearne	8/8			10/11			2/4	1/1
Kevan Ryan	8/8	5/5	4/5	11/11		4/4	4/4	1/1
Angie Smithson	8/8			3/6	5/7		1/4	1/1
Steve Warburton	8/8			9/11	10/11		3/4	1/1
Beth Weston	4/4			4/5	8/10		3/4	1/1

Table 16: Board & Board Committees Attendance

## Audit Committee

The role of the Audit Committee is to provide to the Board of Directors an independent and objective review over the establishment and maintenance of effective systems of integrated governance, risk management and internal control across the organisation's clinical and non-clinical activities. It also provides assurance on the independence and effectiveness of both external and internal audit and ensures that standards are set and compliance with them is monitored in the non-financial and non-clinical areas of the Trust that fall within the remit of the Committee. The Audit Committee is significantly instrumental in reviewing the integrity of the Annual Accounts, and related External Auditor's Reports. In addition, it reviews the Annual Governance Statement prepared by the Chief Executive in his role as the Accounting Officer along with related internal audit reports. The Audit Committee takes a risk-based approach to its work with a continued focus on the Board Assurance Framework.

### Composition of the Audit Committee

The Audit Committee operates in accordance with the Terms of Reference agreed by the Board of Directors. It has met on five occasions during the last financial year and details of each member's attendance at meetings are provided below. The committee membership comprises at least three Non-Executive Directors including one with "recent and relevant financial experience".

### The Audit Committee Members during 2017/18 were:

- Tim Johnston** — Chair of Committee
- Joanne Clague** — Member of Committee
- Kevan Ryan** — Member of Committee

Member	Actual/Possible
Tim Johnston	5/5
Joanne Clague	4/5
Kevan Ryan	5/5

Table 17: Audit Committee Member Attendance

In addition to the Committee members, standing invitations are extended to the Director of Finance & Business Services, the Chief Nurse, the Chief Executive (for specific items), Internal Auditors, External Auditors, Local Counter Fraud Specialist, Director of Corporate Governance/Board Secretary and the Head of Corporate Finance. Other officers of the Trust may be invited to the Committee to answer any points which may arise.

A Board Committee Assurance Report is considered at the Board of Directors' meetings following each Audit Committee meeting and the Committee Chair brings any significant matters to the attention of the Board.

## Audit Committee Activities

In discharging its duties, the Committee meets its responsibilities through utilising the work of Internal Audit, External Audit and other assurance functions, along with assurances from Trust officers (where required) and directing and receiving reports from the auditors and fraud specialists.

### Financial

The Audit Committee has played a key role in endorsing the accounting policies in operation at the Trust and in reviewing both the annual accounts and the external audit review of the accounts.

The Audit Committee reviewed the 2017/18 annual accounts at its meetings on 27 April 2018 and 18 May 2018 and subsequently recommended their adoption to the Board of Directors.

### Quality Account

Whilst the Audit Committee is responsible for monitoring the process for production of the Quality Account, the content of the Quality Account is the remit of the Quality Committee. To that end, at its meeting on 27 April 2018, the Audit Committee noted the process undertaken by the Trust to comply with the statutory requirements for the 2017/18 Quality Account and recommended at its meeting on 18 May 2018, the adoption of the Quality Account to the Board of Directors.

### Data Quality and Governance

During 2017/18, the Committee reviewed the progress made to implement the management actions arising from the audit of A&E Data Quality and was satisfied that sufficient improvements had been made to the systems and process in place, with some actions requiring further strengthening.

The Committee also reviewed the audit of the data quality for 6-week diagnostics which had identified areas for improvement particularly in respect of input into the SIGMA system. The Committee was content with the action plan.

The Trust had one reportable Information Governance breach during the year – see Annual Governance Statement for further details.

### Cyber Security

The Committee maintained its focus on the Trust's IT security systems to combat cyber-attacks and continued to work closely with the Counter Fraud team to embed and raise awareness of cyber-crime with staff throughout the organisation. In light of the WannaCry cyber-attack in May 2017, the Committee undertook a "deep dive" into the cyber security arrangements in place at the Trust and was advised on the level of activity to combat threats and the improvements made to protect from daily attacks. The Committee was also advised that two separate audits on cyber security were undertaken by RSM and NHS Digital and, whilst a number of areas had been highlighted for improvement, overall the Trust had good systems and controls in place. The majority of the issues identified in both audits had been addressed but the long term programme in regard to replacement PCs and operating systems would continue to be progressed during 2018/19. The Committee recognised that the cycle of learning, changing and improving systems was constant and acknowledged the work completed and actions implemented to minimise the risk placed on the Trust in regard to its IT systems.

### Clinical Audit

The Committee undertook a deep dive into the Clinical Audit process with particular focus on the value of the work to improve the quality of patient care, the linkage to the risk registers and details of the type of Audit undertaken. The Committee was advised that the introduction of the Clinical Audit Management system (CAMs) had significantly increased the level of control and improved linkage with Divisions on planning and monitoring progress against audits. However, the Committee required the reporting of clinical audits to be strengthened throughout the governance framework. Internal Auditors would address this as part of their Phase 2 audit work and report back in 2018/19.

### Corporate Governance

The Audit Committee has gained assurance on all areas within its remit by reviewing:

- the Annual Governance Statement
- the process for managing the Board Assurance Framework (BAF)
- the linkages between the strategic and operational risks and how the Board Assurance Framework dovetails with the Corporate Report of the Trust Risk Register
- the Corporate Governance Framework Manual (including the Scheme of Delegation and Standing Financial Instructions)
- regular reports from both Internal and External Audit in relation to the adequacy of the systems of internal control.

The Audit Committee Chair consults with the Chair of the Quality Committee as appropriate to ensure that the process of gaining assurance in non-financial matters is in line with the Audit Committee's responsibility to discharge its duties to the Board correctly. The Audit Committee Chair also ensures that Internal Audit plans and reports that refer to matters of relevance to the Quality Committee are shared.

The Trust's Annual Governance Statement was considered at the meeting held on 27 April 2018 and recommended to the Board of Directors for approval following the meeting on 18 May 2018.

### External Audit

The provision of external audit services is currently delivered by PricewaterhouseCoopers LLP (PwC). Their work focussed upon the audit and opinion on the financial statements. In January 2018, the Committee approved an External Audit Plan for the year to 31 March 2018 and has received regular updates on the progress of work. In addition, reports and briefings (as appropriate) have been received from PwC in accordance with the requirements of the Audit Code.

A draft unqualified opinion (and audit certificate) on the accounts of the Foundation Trust for 2017/18 was given to the Trust on 18 May 2018.

In addition to the audit of the annual accounts, PwC has also undertaken assurance work on the Trust's Quality Account for 2017/18 in accordance with the guidelines set out by NHS Improvement in the Annual Reporting Manual (ARM). On 18 May 2018, the auditors issued a draft limited assurance report on the contents of the Quality Account and mandated indicators, and a report to Governors covering external assurance on two mandated and one locally selected indicator.



### Internal Audit

Our Internal Audit service is provided by RSM Risk Assurance Services LLP (RSM). Their role is to provide an independent and objective internal audit service providing an opinion to the Accounting Officer, the Board of Directors and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives.

The Internal Audit Plan was driven from the risks set out in the Trust's own Board Assurance Framework (BAF) as well as areas specifically identified by Executive Directors for audit review and was subsequently approved by the Audit Committee.

During the course of the year, the Committee ensured that regular progress reports were received on the delivery of the Internal Audit Plan. The plan also included issues identified by the Quality Committee. As part of this process, the Committee has influenced changes to the plan to direct work to risk areas identified during the course of the year. The Internal Audit annual report highlights certain areas for inclusion in the Annual Governance Statement and these have been reflected in that section of the report.

The overall conclusion from the work undertaken in 2017/18 is that the organisation has an adequate and effective framework for risk management, governance and internal control. This is based on testing undertaken. However, the work undertaken has identified further enhancements to the framework for risk management, governance and internal controls to ensure that it remains adequate and effective.

### Fraud

As with the Internal Audit Service, RSM is the service provider for the Local Counter Fraud Specialist (LCFS). The Committee is fully supportive of counter fraud work within the Trust and regularly reviews the risk of fraud and work completed in accordance with Service Condition 24 of the Provider Contract. The Committee receives and approves an annual proactive work plan, regular progress reports against the work plan and a final annual report detailing all proactive and reactive work undertaken by the LCFS.

2017/18 has witnessed a continued increase in staff reporting fraud concerns and speaking with the LCFS during ward and department visits to gain assurance and advice on fraud related matters. The LCFS has also completed an operational fraud risk assessment in 2017 to identify the key fraud risk areas for future proactive exercises. This, together with ongoing joint work with the Corporate Governance Team on Declarations of Interest to ensure the Trust is compliant with recent changes to NHS guidance, ensures that the Trust is targeting those key risk areas.

Liaison with Trust HR, NHS Counter Fraud Authority (formerly NHS Protect), the Home Office, local authorities and neighbouring NHS organisations has continued throughout the year resulting in the assistance in third party external investigations.

### Other work of Audit Committee

The Committee also contributed to the following:

- A review of the management tracking system for audit actions revealed a number of outstanding actions that had not been addressed. The Committee requested that these actions be completed by end of Q1 2018/19

- An update review of Sickness Absence Management to ensure that the actions taken provided assurance that the controls and processes in place were fit for purpose. Significant progress had been made to enhance and strengthen the management of long-term sickness, the implementation of the ESR self-service system and the establishment of Divisional workforce dashboards
- A review of the Safeguarding arrangements including the systems and processes in place which highlighted weaknesses in the control framework. The matter was subsequently referred to the Board with the risks and subsequent improvement plan continuing to be monitored by the Quality Committee reporting through to the Board
- The improvements that had been identified with ward processes for patient flow as part of the Emergency & Acute Care programme. The Trust was receiving support from Ernst & Young on improving A&E performance and the outcome of that work would need to be assessed before considering the recommendations from the audit. This would be followed up during Q1 2018/19
- The continued focus on improving compliance standards for Additional Clinical Activity Sessions which would be a key focus as part of the follow up review in Q1 2018/19
- A review of the audit of Working Time Regulations which identified significant gaps in policy, procedures and guidance documentation. Some progress has been made to address the issues but further review will be required during 2018/19.

**Tim Johnston**  
Chair, Audit Committee  
May 2018

## Remuneration & Nominations Committee

The purpose of the Remuneration & Nominations Committee is to decide the pay and allowances and other terms and conditions of the executive directors. Membership of this Committee wholly comprises of non-executive directors, who are viewed as independent.

The Committee is chaired by the Trust chairman with all non-executive directors as members. Committee members have no financial interest in matters to be decided. The Chief Executive and Director of People & Corporate Affairs normally attend committee meetings in an advisory capacity and provide assistance to the Committee as required, except where their own salaries are discussed. The Committee met on five occasions during the year. The Remuneration Report is set out on page 62.

Member	Actual/Possible
Neil Goodwin (Chair)	4/5
Joanne Clague	4/5
David Fillingham	4/5
Tim Johnston	5/5
Kevan Ryan	4/5
Mandy Wearne	4/5

Table 18: Remuneration & Nominations Committee Member Attendance

### Annual Remuneration Statement

This statement refers to senior managers employed by the Trust. Senior Managers are defined as the Chairman, the Chief Executive, Non-Executive Directors, Executive Directors and any person in a senior position having authority or responsibility for directing or controlling the major activities of the Trust i.e. those who influence the decision of the Trust as a whole.

For the year 2017/18, the Remuneration Committee determined to apply the principle of the National Pay Award irrespective of role/level whilst uplifting those staff beneath the national minimum wage in line with national requirements. It also supported a review of those on spot salaries to identify where assimilation onto the national pay, terms and conditions was appropriate. The Committee approved the Policy for the Fit and Proper Persons Test. It also reviewed its succession plans and considered the framework to provide reasonable assurance for use in preparation for the merger and a potential new structure.

During the year, the Committee reviewed its Board arrangements in light of the potential merger and agreed to the Deputy Chief Executive/Chief Operating Officer (COO) relinquishing her role as COO to enable full-time focus on the merger as Integration Programme Director. The role of Acting COO was to be undertaken by the Director of Operations. The Committee also considered the potential for Directors of the Trust providing Board level leadership at other Trusts but agreed not to make any changes to the Constitutional arrangements at this time.

The Committee also considered the Chief Executive's performance appraisal for 2016/17 and the report of the Chief Executive on the summary of Executive Director appraisals for 2016/17.



**Neil Goodwin**  
Chair, Remuneration Committee  
May 2018

## Head of Internal Audit Opinion

In accordance with Public Sector Internal Audit Standards, the head of internal audit is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. The opinion should contribute to the organisation's annual governance statement.

For the 12 months ended 31 March 2018, the head of internal audit opinion for Aintree University Hospital NHS Foundation Trust is as follows:

### Head of internal audit opinion 2017/18

**"The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective."**

The formation of our opinion is achieved through a risk-based plan of work, agreed with management and approved by the audit committee, our opinion is subject to inherent limitations.

We have issued 20 reports during 2017/18, of which two have provided 'no assurance' on the areas audited – Working Time Regulations and the Authorisation Process. In addition to this, we also issued seven 'partial assurance' reports in the following areas:

- Safeguarding Children
- NHS Supply Chain Invoices
- Emergency & Acute Care Programme – Ward Level Discharge Management
- Decontamination (Fast Track)
- Duty of Candour
- Theatre Stock Controls
- Shared Service Governance Arrangements.

From our follow up work, undertaken across the year, we are able to confirm that management have continued to work on strengthening control where weaknesses have been identified. We have also seen the audit committee ask for management assurance around addressing internal audit actions, with updates from lead executives at audit committee meetings.

We are able to confirm that management have continued to work on strengthening control where weaknesses have been identified.

# Statement of the Chief Executive's Responsibilities as the Accounting Officer of Aintree University Hospital NHS Foundation Trust

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

**NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Aintree University 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 Aintree University Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.**

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Account 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 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; and
- prepare the financial statements on a going concern basis.

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

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



**Steve Warburton**  
Chief Executive  
23 May 2018

# Independent Auditor's Report to the Council of Governors of Aintree University Hospital NHS Foundation Trust

## Report on the audit of the financial statements

### Opinion

In our opinion, Aintree University Hospital NHS Foundation Trust's financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2018 and of the Trust's income and expenditure and cash flows for the year then ended 31 March 2018;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2018; the Statement of Comprehensive Income for the year then ended; the Statement of Cashflows for the year then ended; the Statement of Changes in Taxpayer's Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice"), International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 (Accounting Policies) to the financial statements concerning the Trust's ability to continue as a going concern.

The Trust is forecasting a deficit and a cash shortfall for 2018/19 and anticipates that it will receive external financial support to enable it to meet its liabilities as they fall due and provide ongoing healthcare services. However, the nature of any financial support, including whether such support will be forthcoming or sufficient is not yet known.

These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Trust's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Trust were unable to continue as a going concern.

### Explanation of material uncertainty

The Trust's cash flow forecast for 2018/19 is predicated on a Cost Improvement Plan (CIP) savings requirement of £6.6m, not all of which has been planned in detail, and relies on significant distress funding and a large capital loan being received during the year, neither of which have been agreed. Without this, the Trust forecasts show that it will have a negative cash balance at the end of the financial year 2018/19 and may require additional financial support, on top of the current planned support, in order to meet its liabilities as they fall due. However, the extent and nature of any additional financial support, including whether such support will be forthcoming or sufficient is not yet known.

### What audit work we performed

In considering the financial performance of the Trust we:

- Understood the Trust's FY18/19 Annual Plan and cash flow forecasts, including the key assumptions within, for example, underperformance against CIPs;
- Assessed the Trust's ability to achieve its CIP/ efficiencies target through consideration of historical delivery of CIP/ efficiencies and, as above, the sensitivity of the FY18/19 Annual Plan to underperformance in this area; and
- Assessed the potential need for additional financial support to enable the Trust to meet its liabilities as they fall due and understood whether any financial support included within forecasts has already been agreed upon.

## Our audit approach

### Context

Our audit for the year ended 31 March 2018 was planned and executed having regard to the fact that the Trust's operations and financial stability were largely unchanged in nature from the previous year. In light of this, our approach to the audit in terms of scoping and key audit matters was largely unchanged apart from one key audit matter that was new for the financial year 2017/18, Risk of WPA consolidation, which was a required significant risk from our group auditors, the National Audit Office (NAO).

Our approach to the audit in terms of scoping and key audit matters was largely unchanged apart from one Key audit matters that was new for the financial year

### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### Overview

#### Overall materiality:

£7,020k which represents 2% of total revenue.

We performed our audit of the financial information for the Trust at Aintree House which is where the Trust's finance function is based.

In establishing our overall approach, we assessed the risks of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the annual accounts.

#### Our principal risks and key audit matters were:

Management override of control and the risks of fraud in revenue recognition;

Financial sustainability and going concern; and

Valuation of Property, Plant and Equipment.

### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a



whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to financial sustainability and going concern, described in the Material Uncertainty relating to going concern section above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.



## Key audit matter

### Management override of control and the risks of fraud in revenue recognition

See note 1 to the financial statements for the directors' disclosures of the related accounting policies, judgements and estimates relating to the recognition of income and note 3 for further information.

We focused on this area because there is a heightened risk due to the Trust being under increasing financial pressure.

Whilst the Trust is looking at ways to maximise revenue and reduce costs, there is significant pressure to report results in line with its annual plan to attain set key performance indicators which attracts bonuses and incentives.

As all Trusts are under pressure to achieve their control totals there is a risk that the Trust could adopt accounting policies, make accounting judgements or estimates or treat income and expenditure transactions in such a way as to lead to material misstatement in the reported deficit position.

Given these incentives, we considered the risk of management manipulation in each of the key audit matters, which are:

- Recognition of revenue;
- The inherent complexities in a number of contractual arrangements entered into by the Trust, for example intra-NHS transactions;
- Manipulation through journal postings; and
- Management estimates.

## How our audit addressed the Key audit matter

### Income

For income/receivable transactions, we tested on a sample basis that the transactions and the associated income had been posted to the correct financial year by tracing them to invoices or other documentary evidence. Our testing did not identify any items materially incorrectly recorded.

We tested a sample of items of contract revenue from Clinical Commissioning Groups ("CCG") and NHS England, traced them to contract and to correspondence between the Trust and the CCG regarding over/ under performance. We tested income back to invoices and cash receipts. Our testing did not identify any items incorrectly recorded.

We tested a sample of income to invoices and subsequent cash received (for NHS and non-NHS income) to check whether it had been correctly recorded, and this did not identify any items requiring amendment in the financial statements.

### Intra-NHS balances

We obtained the Trust's mismatch reports received from NHS Improvement ("NHSI"), which identified balances (debtor, creditor, income or expenditure balances) that were different from those recognized by the counterparty. We checked that management had investigated disputed amounts above £300,000 (based on the National Audit Office's reporting criteria), then discussed with them the results of their investigation and the resolution, which we traced to correspondence with the counterparty. We then considered the impact, if any, these disputes would have on the value of income and expenditure recognised in 2017/18 and determined that there was no material impact.

### Manipulation through journal posting

We selected a sample of manual and automated journal transactions that had been recognised in revenue, focusing in particular on those with unusual characteristics. We performed other journal tests which were focused on identifying unusual account combinations.

We traced these journal entries to supporting documentation to check that the transaction had a business case and was accounted for appropriately within the financial statements.

Our testing identified no issues that required further investigation.

### Management estimates

We evaluated and tested management's accounting estimates, focusing on:

- accruals;
- provisions;
- deferred income; and
- Property, Plant and Equipment Valuation (see specific key audit matter below).

We tested reasonableness of the key accounting estimates on which management's estimates were based and the basis of their calculation on a sample basis by comparing the assumptions used by management in the calculation of their estimate with independent assumptions and investigating any differences.

Our testing identified no matters that required amendment within the financial statements.

## Key audit matter

### Valuation of Property, Plant and Equipment

Management's accounting policies, key judgements and use of experts relating to the valuation of the Trust's estate are disclosed in Note 1 to the financial statements.

We focused on this area because Property, Plant and Equipment (PPE) represents the largest balance in the Trust's statement of financial position. The PPE balance at 31 March 2018 is £185.8m.

Land and buildings are measured at fair value based on periodic valuations. The valuations are carried out by a professionally qualified valuer in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual, and performed with sufficient regularity to ensure that the carrying value is not materially different from fair value at the reporting date.

In 2017/18, management have undertaken valuation of the Trust's estate. This led to an increase in the revaluation reserve of £9.5m. The overall charge to the Statement of Comprehensive Income during the year was £23.4m.

## How our audit addressed the Key audit matter

As part of our work around valuation of property, plant and equipment we:

- Engaged our in-house valuation experts to consider the assumptions and estimates applied by management's expert during the course of the valuation. This exercise considered whether key assumptions, and the valuation methodology used was reasonable and appropriate;
- Tested a sample of the assets by verifying that the input data used by the valuer was consistent with the underlying estates and property asset information held by the Trust;
- Recalculated the revaluation/impairment arising from the valuation exercise for a sample of assets and checked that these had been appropriately reflected in the financial statements; and
- Physically inspected a sample of assets across land, buildings to check existence and to confirm they were in use.

Our testing identified no matters that required amendment within the financial statements.

## How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the accounting processes and controls, and the environment in which the Trust operates.

In establishing our overall approach we assessed the risks of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements. We performed most of our audit work at Aintree House, which is where the finance function is based.

## Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£7,020k (2017: £6,865k)
How we determined it	2% of revenue (2017: 2% of revenue)
Rationale for benchmark applied	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £300,000 (2017: £250,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Performance Report and the Accountability Report, we also considered whether the disclosures required by the NHS Foundation Trust Annual Reporting Manual 2017/18 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) and the Code of Audit Practice require us also to report certain opinions and matters as described below.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Accountability Report, the directors are responsible for the preparation of the financial statements in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18, and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trust is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

### Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism.

We are required under Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report to you 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 work in accordance with the Code of Audit Practice, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

We will prepare an annual audit letter which will cover the Trust's key risks in securing economy, efficiency and effectiveness in its use of resources, how these have been discharged by the Trust, and our actions to review these. The Trust is responsible for publishing this annual audit letter, and ensuring that it is available to the public.

### Use of this report

This report, including the opinions, has been prepared for and only for the Council of Governors of Aintree University Hospital NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Opinions on other matters prescribed by the Code of Audit Practice

#### Performance Report and Accountability Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Performance Report and Accountability Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we did not identify any material misstatements in the Performance Report or Accountability Report.

In addition, the parts of the Remuneration and Staff reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

### Arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report, by exception, if we conclude we are not satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

We draw your attention to the Trust's Annual Governance Statement of the annual report which includes details on the overall result of the CQC inspection.

We have nothing to report as a result of this requirement except for the matters detailed below, where we have been unable to satisfy ourselves that the Trust has made proper arrangements for securing effectiveness in its use of resources for the year ended 31 March 2018.

The Care Quality Commission (CQC) performed inspections of the Trust during October 2017 and January 2018 and issued the inspection report with an overall rating for the Trust of 'Requires Improvement' and specifically, a rating of 'Requires Improvement' for the 'Are services effective?' domain.

Except for the matters noted above, we have no other matters to report in relation to proper arrangements for securing economy, efficiency and effectiveness in the use of its resources for the year ended 31 March 2018.

## Other matters on which we report by exception

We are required to report to you if:

- the statement given by the directors within the Statement of the Chief Executive's Responsibilities as the Accounting Officer
- the section of the Annual Report included within the Governance & Organisational Arrangements section, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee
- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 or is misleading or inconsistent with our knowledge acquired in the course of performing our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls
- we have referred a matter to Monitor under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency
- we have issued a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

## Certificate

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code of Audit Practice.



**Rebecca Gissing (Senior Statutory Auditor)**  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
25 May 2018

# Annual Governance Statement

## Scope of responsibility

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

## The purpose of the system of internal control

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 Aintree University 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 Aintree University Hospital NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

## Capacity to Handle Risk

The Trust has a Risk Management Strategy that sets out the role and responsibilities of the Chief Executive, Executive Directors and managerial roles key to the co-ordination of risk management throughout the Trust. The strategy clearly states that all staff have a

responsibility for risk management. The key elements of the strategy include a description of individual and collective responsibilities of the Board of Directors, its committees and other groups within the Trust that are concerned with risk management. The Strategy was revised in October 2017 and is reinforced by the Assurance & Escalation Framework which provides further assurance of the risk management processes in place in the Trust.

The Trust has a governance structure in place that supports the process of risk escalation and management. The Board has a committee structure with risk managed and monitored through the following Board committees – Audit, Quality and Finance & Performance – with further assurance being provided by the Hospital Management Board which also has responsibility for the performance management of the organisation. The structure is based on the Care Quality Commission's domains of care quality, which enhances clinical engagement, influence and ownership of leadership actions. It allows for discussions to take place within Executive-Led Groups on performance, risks and improvement actions prior to scrutiny of progress taking place in the relevant Board Committees for assurance purposes. It also enables us to learn from good practice.

The Board revised the Trust's strategic vision and its objectives to achieve that in 2016/17. The Trust's strategic risks were principally monitored through the Board Assurance Framework (BAF) and the monthly Corporate Performance Report, with less significant risks being addressed through normal performance management arrangements. Throughout the year, the Board received regular reports on the key risks to compliance with the Trust's licence and the action taken with regard to the most significant risks identified on the Trust Risk Register.

The Audit Committee has oversight of the system of risk management and assurance, including the BAF, and has a cycle of business that requires attendance by members

of the senior management team to provide assurance in relation to the development of local systems of control. In 2017/18, the Audit Committee reviewed the new BAF and considered the supporting systems and processes behind the Corporate Report of the Trust Risk Register and its alignment to the BAF.

Divisional governance arrangements have been established to ensure effective risk management across all Divisions. This includes appropriate identification and escalation of risk to the Executive-Led Groups and the Hospital Management Board, and the maintenance of Divisional Risk Registers. Staff are trained to manage risk in a way that is appropriate

Divisional governance arrangements have been established to ensure effective risk management across all Divisions.

to their authority and duties. This is supported by a robust training programme on risk management from induction and including mandatory training. This is monitored by the Workforce Executive-Led Group. Both the induction and the mandatory training programmes are aligned to statutory requirements, best practice and Trust policy. The training programmes are also available to volunteers who work for the Trust.

Other risk management training is provided both on a formal and on an ad hoc basis. This includes training on risk management capability, risk identification and scoring criteria, investigation techniques (including root cause analysis) to review serious incidents, health and safety incidents as well as complaints investigations. It also covers the use of human factors techniques and other investigation tools. Bespoke risk management training is provided annually for the Board.

The Trust continues to monitor the system for managing its policies and

procedural documents to ensure appropriate guidance is available for all staff. The Document Management System provides staff with access to all approved Trust policies, procedures and guidance in one location on the intranet. Trust policies are cascaded to all staff through Team Brief, the All

The Trust continues to be a member of the Advancing Quality Alliance (AQuA) and has been actively involved in sharing their collaborative work and participating in specific programmes.

About Aintree e-briefing and other line reporting mechanisms.

Good practice and lessons learned from a variety of local and national sources on incidents, complaints, concerns, claims and audits are shared through a range of methods including newsletters, service improvement work, education and training programmes, and through the divisional governance arrangements. Lessons and shared learning are also identified through the following reports - Practice Improvement and Lessons Learned (PILL), Patient Experience and Complaints & Concerns Reports, all of which are considered through the governance structure. In addition, the Trust continues to be a member of the Advancing Quality Alliance (AQuA) and has been actively involved in sharing their collaborative work and participating in specific programmes on reducing avoidable mortality, quality improvement and patient safety.

## The Risk and Control Framework

The Trust's Risk Management Strategy has been approved by the Board and operational risk management processes are embedded throughout the organisation. The level and nature of operational risk information that should be subject to Board scrutiny has been determined by the Board of Directors within its Risk Appetite Statement. This was reviewed in 2017/18 against risk appetite themes, all of which were considered critical in the achievement of the Trust's strategic objectives. The aim of the revised statement was to improve risk sensitivity in Board discussions

on strategic decision making, and the Board receives regular updates on the status of those risks. The Board identified how the risk appetite would be applied through the existing Trust risk management framework and this is included in our Risk Management Strategy and the associated Policy. The Strategy also contains an escalation process for the rapid identification and reporting to the Board of emerging risks or concerns around risk mitigation.

The BAF provides an effective focus on strategic and reputational risk rather than operational issues, and highlights any gaps in controls or assurances. It provides the Board of Directors with confidence that systems and processes in place are operating in a way that is safe and effective. It is a dynamic tool which is regularly reviewed throughout the year by the Board Committees and the Board of Directors and supports me when completing this statement at the end of each financial year.

Quality drives the Trust's strategy and annual plan and the Board of Directors is aware of potential risks to Quality via the process outlined above. The Board commissioned Deloitte LLP to undertake a Well Led Governance Review which included self-assessment and evaluation of its effectiveness and performance and their final report was submitted to the Board in April 2017. A number of areas of good practice were identified as well as areas with scope for further enhancement and development. This subsequently led to an action plan being developed which identified how each of the recommendations would be taken forward and the Board received quarterly updates on progress.

Information Governance risks are managed as part of the processes described above and assessed using the Information Governance Toolkit. The Risk Register is updated with the currently identified information risks.

Data quality and data security risks are managed and controlled via the risk management system. Risks to data quality and data security are continuously assessed and added to the relevant section of the Risk Register reviewed by the Information Governance & Data Quality Group which reports through to the Safety & Risk Executive-Led Group. The Audit Committee undertook a deep dive on the Trust's cyber security arrangements in light of the 'WannaCry' cyber-attack in May 2017

and received acceptable assurance on the systems and processes in place to minimise the level of risk placed on the Trust in regard to its IT systems. In 2017/18, a review was undertaken on the implementation of the management actions relating to data quality within A&E with the Audit Committee satisfied that sufficient improvements had been made to the systems and controls in place. In addition, independent assurance is provided by the Audit Commission's Payment by Results (PbR) Data Assurance Framework review and internal audit reports.

The Trust is fully aware of its requirements to comply with the forthcoming introduction of the new General Data Protection Regulations (GDPR) from May 2018. A Working Group, chaired by the Senior Information Risk Officer (SIRO), has been established to provide assurance that effective best practice mechanisms are put in place as well as integrating the standards with other governance frameworks, strategies, work programmes and projects to ensure compliance with the new legislation. In addition, Task & Finish Groups have been set up and provide regular progress reports to the Working Group identifying any areas requiring particular focus/attention to ensure compliance is achieved.

## Major Risks

The major risks, both in year and potential, are highlighted below. Controls and assurances which describe how the Trust manages and mitigates these risks to the achievement of its strategic objectives and how outcomes will be assessed are identified through the BAF which is robustly monitored by the Board and the Board Committees.

There is a risk that we fail to:

- ensure that the care provided for all patients is high quality, safe and compassionate
- provide effective treatment that achieves best possible outcomes
- deliver the benefits of education, research and innovation for our patients and staff
- deliver efficient, cost-effective and sustainable services
- provide sufficient strategic focus and leadership to support seamless pathways across health and social care systems

- be a well-governed and clinically-led organisation to enable our people to achieve the Trust's common purpose.

Major risks that were being closely monitored in 2017/18 were Ophthalmology, Workforce and Service Transformation. Major risks for 2018/19 include:

**Safeguarding:** the Trust underwent inspection by the Care Quality Commission (CQC) during October 2017. The high level feedback received during the inspection highlighted that the CQC had found evidence that Safeguarding, Mental Capacity Act (MCA) and Deprivation of Liberty (DoLs) processes had not been followed. In November 2017, the CQC wrote to the Trust issuing a Warning Notice in relation to both the provision and management of

The Trust is continuing to take steps towards implementing the required improvements and these will be overseen during 2018/19 by the Hospital Safeguarding Board and monitored by the Quality Committee and the Board of Directors.

MCA and DoLs within the Trust. A follow-up inspection was undertaken by the CQC in January 2018 on these specific areas to identify whether there had been significant improvement in relation to the warning notice they had issued. The CQC published their report in March 2018 and indicated that further progress is required before the warning notice can be lifted. The Trust is continuing to take steps towards implementing the required improvements and these will be overseen during 2018/19 by the Hospital Safeguarding Board and monitored by the Quality Committee and the Board of Directors.

**Emergency & Acute Care:** whilst the Trust has made significant improvements to the systems and processes within the Emergency Department, it remained challenged in achieving sustained performance against the 4-hour standard. During 2017/18, the Trust received support from Ernst & Young to deliver a series

of activities under the non-elective flow programme. These activities have delivered improvements to the extent that the Trust maintained a relatively good performance level during the winter months when there was a 9% increase in attendances over the previous year, and resulted in the Trust being recognised by NHS England as the most improved in Cheshire & Merseyside. However, the Trust has recognised that further work is required in order to take its performance to the next level and ensure that it is sustainable. Activities have been identified to deliver this step change and the Finance & Performance Committee and the Board will continue to monitor progress during 2018/19.

**Clinical Risk:** the most significant clinical risk the Trust is currently facing is our ability to maintain an effective flow of patients through the organisation through the winter period and beyond. This report has alluded to a 6-9% increase in attendances over winter 2017/18 compared to last winter (2016/17) and this increase in workload showed little, and uncharacteristic, sign of abating well into the spring and continues beyond; this increase naturally leads to increased admissions to the hospital and pressure on beds.

An increase in acute medical admissions necessitates the use of surgical beds for medical patients rather than elective surgical admissions which itself increases clinical risk for those patients and impacts on the organisation's ability to deliver its surgical workload. This inevitably leads to the unprecedented cancellation of operations which, in addition to the inconvenience to patients, has an impact on our ability to manage surgical demand and potential patient safety implications. This is reflective of the situation nationally. Additionally, to meet the increasing acute demand we have had to open a large number of escalation beds which stretches our staffing resources. Our ability to manage such increases in workload is impacted by an array of services, many of which are outside the Trust's direct sphere of influence and control but we are working very closely with all partners to try and alleviate the situation and facilitate discharges from the hospital. In response to this unprecedented demand on our acute services, we have implemented the 'SAFER' programme, a series of work streams which is designed to support

the Trust in responding in a safe and efficient way.

**Workforce:** the Trust is acutely aware of the significant issues nationally within the NHS regarding shortages of qualified staff which are being mirrored locally. We recognise the negative impact this has on our staff as demand for our services increases and we continue to actively pursue recruitment strategies and look at alternative staffing models, where clinically appropriate, to address the situation. A recent acuity and dependency study highlighted specific changes to nursing and health care assistant requirements which will be implemented during 2018/19.

**Service transformation:** Aintree has identified that in order to deliver sustainable health care for the benefit of patients, transformational organisational reform and service change is required. To that end, Aintree continues to pursue an organisational merger with the Royal Liverpool & Broadgreen University Hospitals NHS Trust as part of the Healthy Liverpool Programme and Shaping Sefton Programme. This is also aligned with the North Mersey Local Delivery System plans which form part of the overall Cheshire & Merseyside Sustainability and Transformation Plan. The Trust, however, continues to focus on the delivery of cost-effective health care, ensuring that patient safety and quality of service are not compromised.

The Trust encourages its staff to report incidents whether there was any consequence resulting from the incident or not.

When things do go wrong, the Trust encourages its staff to report incidents whether there was any consequence resulting from the incident or not. Anonymous reporting is accepted to mitigate against any concerns the reporter of an incident may have. However, if the reporter of an incident identifies themselves, they receive feedback for every incident they report. This is to help demonstrate the value of reporting, that we have learned from that incident and that things have changed as a result, with the aim of encouraging staff to report more incidents. When serious incidents are investigated, members of the Trust

speak to and, if possible, meet with those who are affected. Feedback from these discussions is considered during the investigation and a copy of the final report is shared. This provides the opportunity for any comment on the report to be included if appropriate. A review of the process for the management of incidents was undertaken in 2017/18 with a view to investigations being dealt with more swiftly, the generation of high quality analysis and stronger recommendations. The implementation of the proposals will take place during 2018/19. The Board's appointment of a Freedom to Speak Up Guardian reinforces the Trust's commitment to being open and transparent. During 2017/18, there have been eight Never Events reported by the Trust which places it as a significant outlier. In line with standard practice, the Trust has conducted internal investigations regarding these incidents to identify immediate actions, root causes and associated learning. These investigations will be supplemented by an external review to provide some thematic and cultural insight.

The outcome of the 2017 inspections showed that the Trust had improved in each domain on the previous year and against the national averages.

Public stakeholders are involved in managing risks which impact on them. During 2017/18, they were engaged and involved in the Multi-Disciplinary Accelerated Discharge Event (MADE) to support and expedite the discharge of suitable patients providing feedback and observations on the process. The Trust also undertakes monthly Patient-led Assessments of the Care Environment (PLACE) with representation from public stakeholders and Governors inspecting areas of the hospital under the domains of cleanliness, privacy & dignity, food, condition appearance & maintenance, dementia and disability. Observations from the assessments are collated and developed into an action plan with clear timescales for completion. An annual report on the Trust's performance on PLACE inspections is provided to the Hospital

Management Board. The outcome of the 2017 inspections showed that the Trust had improved in each domain on the previous year and against the national averages.

The risks to compliance with the conditions of the Provider Licence are monitored through the Board Assurance Framework. This includes compliance with Condition 4 – Foundation Trust Governance. The Board assessed compliance at its meeting in May 2017 and believes that effective systems and processes are in place to maintain and monitor the following conditions:

- the effectiveness of governance structures
- the responsibilities of Directors and Board Committees
- reporting lines and accountability between the Board, its Committees and the Executive Team
- the submission of timely and accurate information to assess risks to compliance with the Trust's Licence, and
- the degree and rigour of oversight the Board has over the Trust's performance.

These conditions are detailed within the Annual Governance Statement, the validity of which is assured via the Audit Committee.

## Care Quality Commission Registration (CQC)

The Trust is required to register with the CQC and its current registration status is registered without conditions for the Health and Social Care Act 2008. The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. It monitors this compliance by mapping the fundamental standards/CQC domains through the Trust-wide Executive-Led Groups' Terms of Reference, progress and audit reports providing assurance and other methods such as the Aintree Assessment & Accreditation (AAA) Scheme.

The Trust had an inspection of its core services by the Care Quality Commission (CQC) in October 2017 and January 2018. The CQC provided feedback during the initial inspection that they had found evidence that Safeguarding processes had not been followed and issued an enforcement action in relation

to these findings. The Trust was aware prior to the inspection that Safeguarding provision required significant attention and had begun to address this by making significant investment into the service and developing a recovery plan. At the time of inspection, therefore, the Trust was able to provide the CQC with a comprehensive, phased action plan. The CQC published their final report on 21 February 2018, giving the Trust an overall rating of 'Requires Improvement'. All issues identified in the two inspections by the CQC have been incorporated into an overarching improvement plan which will be progressed during 2018/19 with monthly reporting to and monitoring by the Quality Committee and the Board of Directors on progress. In addition, the Trust established a Hospital Safeguarding Board reporting to the Hospital Management Board to provide greater focus and rigour to our systems and processes on Safeguarding. The CQC has indicated that the Trust will need to make further progress in implementing the improvements identified in respect of Safeguarding before the warning notice can be lifted.

## Employer Obligations

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 & Human Rights

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

## Sustainability

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

The Board of Directors approved the implementation of a significant Carbon Reduction Scheme in 2016 and this continues to be carried out through the Carbon Energy Fund during 2018/19. The infrastructure scheme, which is valued at around £12.4m, will deliver annual revenue savings in the order of £863k and an associated carbon reduction of 2789 tonnes of CO<sub>2</sub> per annum.

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

The Financial Plan is approved by the Board of Directors and submitted to NHS Improvement (NHSI). The plan, including forward projections, is monitored in detail by the Finance & Performance Committee on a monthly basis with key performance indicators and metrics reviewed by the Board through the Corporate Performance Report. The Trust's resources are managed within the framework set by the Corporate Governance Framework Manual which includes standing financial instructions. Financial governance arrangements are supported by internal and external audit to ensure economic, efficiency and effective use of resources. On the basis of the Trust's Annual Plan, a monthly report is submitted to NHSI on its financial position, on which feedback is received periodically and the Board advised.

## Information Governance

The Information Governance & Data Quality Group utilises ISO27001 standard as a benchmark for compliance monitoring of the Trust's assets and supplier management.

In 2017/18, one information governance incident was reported to the Information Commissioner's Office (ICO) relating to a spreadsheet

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The Trust has effective systems, processes and mechanisms in place to produce the Quality Account and to ensure that it is a general and balanced view and that appropriate internal controls are in place to ensure the accuracy of the data.

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containing personal identifiable data sent unencrypted to NHS Digital under national reporting obligations. Technical fixes were put in place and the Information Commissioner's Office issued a 'no further action required' response. The Trust has maintained its 'satisfactory' rating for 2017/18 in respect of the Information Governance Toolkit. Notification has been received from NHS Digital in regard to the new Data Security and Protection Toolkit and the Trust will complete its registration process during Q1 2018/19.

The Trust has been preparing for the introduction of GDPR in 2017/18. Internal Audit has looked at the Trust's state of readiness for GDPR and identified areas where the control environment could be further strengthened; these actions have been progressed during the year.

## Annual Quality Report

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

The Trust has effective systems, processes and mechanisms in place to produce the Quality Account and to ensure that it is a general and balanced view and that appropriate internal controls are in place to ensure the accuracy of the data, and the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice. The data underpinning the measures of performance reported

in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The Executive Lead for the Quality Account is the Chief Nurse. The content of the Quality Account reflects the Trust's overall Quality Strategy and the priorities included in this document.

The Trust has consulted with staff, governors and external organisations such as the Clinical Commissioning Groups, Local Authority Overview and Scrutiny/Health Select Committees and the three Healthwatch organisations on the content of the Quality Account and formal statements from these external bodies are contained within the Annual Report. The Council of Governors were also consulted on the priorities for 2017/18 and determined which of the local indicators was to be reviewed by external audit.

## Review of Effectiveness

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

The Trust's Assurance Framework / Risk Register is reviewed quarterly by the Quality Committee reporting

to the Board of Directors and provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. Internal Audit provides me with an opinion about the effectiveness of the assurance framework of the internal controls reviewed as part of the Internal Audit Plan. Work undertaken by Internal Audit is reviewed by the Audit Committee with relevant reports also considered by the Quality Committee. The Quality Committee is also responsible for receiving assurance on clinical audit to ensure that the Trust is delivering effective evidence-based clinical care. My review is also informed by External Audit opinion, inspections carried out by the Care Quality Commission, NHS Resolution (previously the NHS Litigation Authority) risk management accreditation and other external inspections, accreditations and reviews.

The processes outlined below are well established and ensure the effectiveness of the systems of internal control through:

- Board review of the Board Assurance Framework including risk registers and action plans
- Audit Committee scrutiny of systems and controls in place
- Review of serious incidents and learning by the Board Committees and Safety & Risk and Clinical Effectiveness Executive-Led Groups
- Review of progress in meeting the CQC essential standards
- Internal audit reviews of the effectiveness of systems of internal control.

In 2017/18, Internal Audit stated that the Trust had an adequate and effective framework for risk management, governance and internal control. However, they did

identify further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective particularly those in respect of Safeguarding, Discharge Management, the authorisation process for Additional Clinical Activity Sessions and Working Time Regulations. Whilst the Audit Committee sought and gained assurance that management actions to address these weaknesses would be progressed, it also received updates on further assurance from Executive leads on audits giving 'partial assurance' and overdue actions through the embedded recommendation tracking process within the Trust.

The Trust continued to face a significant number of challenges during 2017/18, principally in relation to the achievement of the 95% A&E standard. This was exacerbated by the difficulties experienced in discharging patients and impeding flow throughout the hospital. The Trust continued to implement enhanced activities to the Emergency & Acute Care programme and the performance trajectory has seen steady improvement particularly over the winter months despite increased attendances during this period. NHS providers have been set a target to deliver 90% achievement

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The Trust continued to implement enhanced activities to the Emergency & Acute Care programme and the performance trajectory has seen steady improvement particularly over the winter months despite increased attendances during this period.

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by September 2018 and 95% by March 2019 and the Trust expects to meet this target. We continued to work closely with our partners, and as part of the A&E Delivery Board, to review system-wide solutions across the health economy. Operational pressures in 2017/18 had a negative impact on the 18 week referral to treatment target for admitted and non-admitted patients with the Trust narrowly missing the overall standard for the year. The Trust met four of the eight cancer targets applicable in 2017/18. The Trust reported eight Never Events during 2017/18 and undertook internal investigations of each incident and the learning from them was shared across the organisation. In addition, the Trust has commissioned an external review to provide some thematic and cultural insight and the outcome of this report will be taken forward during 2018/19.

## Conclusion

My review confirms that Aintree University Hospital NHS Foundation Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

There were some internal control issues during 2017/18 that are identified in the body of the Annual Governance Statement for which the Trust developed and implemented robust action plans.

Signed



**Steve Warburton**  
Chief Executive  
23 May 2018

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**Accounts  
2017/18**

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## Foreword to the Accounts

### Aintree University Hospital NHS Foundation Trust

These accounts for the year ended 31 March 2018 have been prepared by the Aintree University Hospital NHS Foundation Trust under Schedule 7 of the National Health Service Act 2006, paragraphs 24 and 25 and in accordance with directions given by NHS Improvement (in exercising power conferred on Monitor) the sector regulator for health services in England.

Signed



**Steve Warburton**  
Chief Executive  
23 May 2018

### Statement of comprehensive income for the year ended 31 March 2018

	Note	2017/18 £000	2016/17 £000
Operating income	3.1	350,988	343,371
Operating expenditure	4.1	(372,870)	(336,047)
<b>OPERATING (DEFICIT) / SURPLUS FOR THE YEAR</b>		<b>(21,882)</b>	<b>7,324</b>
<b>FINANCE COSTS</b>			
Finance income	6.1	55	68
Finance costs	6.2	(1,585)	(1,660)
PDC dividends payable		(3,513)	(3,552)
<b>NET FINANCE COSTS</b>		<b>(5,043)</b>	<b>(5,144)</b>
Gains on disposal of assets		0	1
<b>(DEFICIT) / SURPLUS FOR THE YEAR</b>		<b>(26,925)</b>	<b>2,181</b>
(Deficit) / Surplus for the year after exceptional items		(26,925)	2,181
Net impairment of assets exceptional item	4.2	23,395	0
(Deficit) / Surplus for the year before exceptional items		<b>(3,530)</b>	2,181
<b>Other comprehensive income not affecting the (deficit) / surplus reported above:</b>			
Revaluations gains on purchased property, plant and equipment not charged to the Statement of Comprehensive Income		9,472	0
<b>TOTAL COMPREHENSIVE (EXPENSE) / INCOME FOR THE YEAR</b>		<b>(17,453)</b>	<b>2,181</b>

The notes on Pages 161 to 167 form part of these accounts.

## Statement of financial position as at 31 March 2018

	Note	31 March 2018 £000	31 March 2017 £000
<b>NON-CURRENT ASSETS</b>			
Intangible assets	8.1, 8.2	1,061	241
Property, plant and equipment	9.1, 9.2	185,799	194,212
<b>Total non-current assets</b>		<b>186,860</b>	194,453
<b>CURRENT ASSETS</b>			
Inventories	10	2,223	2,193
Trade and other receivables	11.1	23,212	19,637
Cash and cash equivalents	15	11,193	9,961
<b>Total current assets</b>		<b>36,628</b>	31,791
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12.1	(42,389)	(32,340)
Borrowings	13	(2,655)	(2,423)
Provisions	14.1	(469)	(1,978)
Other liabilities	12.2	(7,199)	(6,263)
<b>Total current liabilities</b>		<b>(52,712)</b>	(43,004)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>170,776</b>	183,240
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	(49,111)	(45,966)
Provisions	14.1	(557)	(622)
Other liabilities	12.2	(275)	(777)
<b>Total non-current liabilities</b>		<b>(49,943)</b>	(47,365)
<b>TOTAL ASSETS EMPLOYED</b>		<b>120,833</b>	135,875
<b>FINANCED BY:</b>			
Public Dividend Capital		115,091	112,680
Revaluation Reserve		36,656	27,432
Income and Expenditure Reserve		(30,914)	(4,237)
<b>TOTAL TAXPAYERS' EQUITY</b>		<b>120,833</b>	135,875

The financial statements from page 157 were approved on 23 May 2018 by the Board of Directors and are signed on its behalf by:



Signed: .....

**Steve Warburton** Chief Executive

## Statement of changes in taxpayers' equity for the year ended 31 March 2018

	Total Taxpayers' Equity £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
<b>Taxpayers' equity as at 1 April 2017</b>	<b>135,875</b>	<b>112,680</b>	<b>27,432</b>	<b>(4,237)</b>
Deficit for the year ended 31 March 2018	(26,925)			(26,925)
Transfers between Reserves	0		(248)	248
Receipt of Public Dividend Capital	2,411	2,411		
Revaluation of Property, Plant & Equipment	9,472		9,472	
<b>Taxpayers' equity as at 31 March 2018</b>	<b>120,833</b>	<b>115,091</b>	<b>36,656</b>	<b>(30,914)</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Taxpayers' equity as at 1 April 2016</b>	<b>133,694</b>	<b>112,680</b>	<b>27,432</b>	<b>(6,418)</b>
Surplus for the year ended 31 March 2017	2,181			2,181
<b>Taxpayers' equity as at 31 March 2017</b>	<b>135,875</b>	<b>112,680</b>	<b>27,432</b>	<b>(4,237)</b>

### Description of each Reserve

Public Dividend Capital

This reserve represents the balance of central capital funding provided to acquire the plant, property and equipment held by the Trust.

Revaluation Reserve

This reserve represents the balance of plant, property and equipment revaluations undertaken by the Trust.

Income and Expenditure Reserve

This reserve represents the balance of historic surpluses and deficits since the Trust was established.

## Statement of cash flows for the year ended 31 March 2018

	Note	2017/18 £000	2016/17 £000
<b>Cash flows from operating activities</b>			
Operating (deficit) / surplus from continuing operations for the year		(21,882)	7,324
<b>Operating (deficit) / surplus for the year</b>		<b>(21,882)</b>	<b>7,324</b>
<b>Non cash income and expenses</b>			
Depreciation & Amortisation	4.1	5,264	5,340
Asset Impairments	4.2	23,395	0
Donations for assets credited to income	3.1	(1,020)	(56)
(Increase) in Trade and Other Receivables		(3,584)	(1,993)
(Increase) in Inventories		(30)	(177)
Increase / (Decrease) in Trade and Other Payables		5,585	(2,632)
Increase in Other Liabilities		434	251
(Decrease) in Provisions		(1,574)	(1,249)
<b>Net cash generated from operations</b>		<b>6,588</b>	<b>6,808</b>
<b>Cash flows from investing activities:</b>			
Interest received		50	66
Purchase of Property, Plant and Equipment		(6,260)	(10,385)
Purchase of Intangible Assets		(868)	(241)
Receipt of cash donations to purchase capital assets		1,020	56
Sale of Property, Plant and Equipment		0	1
<b>Net cash (used in) investing activities</b>		<b>(6,058)</b>	<b>(10,503)</b>
<b>Cash flows from financing activities:</b>			
Public Dividend Capital received		2,411	0
Net Loans received / (paid)		3,377	(2,423)
Capital element of finance lease rental payments		0	(15)
Interest paid		(1,587)	(1,672)
Interest element of finance leases		0	(3)
Public Dividend Capital Dividend paid		(3,499)	(3,543)
<b>Net cash generated from / (used in) financing activities</b>		<b>702</b>	<b>(7,656)</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>1,232</b>	<b>(11,351)</b>
Cash and cash equivalents at 1 April 2017	15	9,961	21,312
Cash and cash equivalents at 31 March 2018	15	<b>11,193</b>	<b>9,961</b>

## Notes to the Accounts

### 1. Accounting policies and other information

#### 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 2017/18 issued by the Department of Health.

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 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.

#### 1.1.1 Accounting convention

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

#### 1.1.2 Going Concern Basis

These accounts have been prepared on a going concern basis. Despite the projected deficit for 2018-19, the Board of Directors does not have any evidence indicating that the going concern basis of preparing the accounts of the Trust, as detailed below, is not appropriate as the Trust has not been informed by NHS Improvement (NHSI)/Monitor that there is any prospect of

intervention or dissolution within the next 12 months.

The directors approved the 2018/19 Annual Plan submission to NHSI/Monitor. This plan shows an Income and Expenditure deficit in 2018/19 amounting to £29.1m which is above the control total set by NHSI. The plan does not include any transitional support income. Achieving this plan will require interim revenue cash loans totalling £22.5m. The plan contains efficiency targets, including cost improvement plans, amounting to £6.6m (of which not all has been planned in detail). Having regard to the significant efficiencies achieved over the recent past, this level of cost reduction is considered to be challenging. If these levels of efficiencies are not achieved, the Trust would need to apply to the Department of Health or other appropriate regulatory body for additional funding. The plan also includes essential capital expenditure of £18.3m of which £15.2m will need to be funded by the Department of Health.

The directors believe that this forward plan provides a realistic assessment of the Trust's position. Income and expenditure budgets have been set on the basis of robust and agreed principles, which mean that the Trust should be able to provide high quality healthcare within the resources available, provided the cost saving targets are achieved.

The Trust has a robust governance structure which includes a Finance & Performance Committee, a sub-Committee of the Board, which has the responsibility to monitor financial performance and oversee the necessary corrective action on behalf of and in conjunction with the Board. The Trust recognises there is an urgent need to develop a wider detailed programme for the delivery of the continued cost savings and to derive benefits from local and City Region health economy-wide transformational change.

The preparation of the income and expenditure budgets and cash flow statements is predicated on many national and local factors and assumptions regarding both income and expenditure and

profiled accordingly. The anticipated level of activity undertaken for its commissioners, and therefore the level of income, is derived after due consideration of a range of factors, including:

- 2017/18 forecast outturn
- Changes in activity resulting from changes in demographic and demand
- National Payment by Results rules and regulations
- Commissioning intentions
- National tariff prices.

The day to day operations of the Trust are funded from contracts with NHS commissioners. The uncertainty in the current economic climate has been mitigated by agreeing a number of contracts with Clinical Commissioning Groups, Local Authorities and NHS England for a further year and these payments provide a reliable stream of funding minimising the Trust's exposure to liquidity and financing problems.

The anticipated level of expenditure within the approved plan is derived after due consideration of a range of factors, including:

- Pay awards and incremental increases
- National Insurance and pension contribution changes
- Inflationary increases for insurance premiums, drugs, utilities and general non-pay
- Financial consequences of both capital and revenue developments
- Cost savings requirements
- Impact of activity levels and commissioning intentions.

Cash flow projections take into account the planned deficit, capital expenditure, repayment of Public Dividend Capital, the drawdown of revenue / capital funds and movements in working balances. There is no certainty that further cost savings will be identified from organisational and service reconfiguration or that additional short-term funding will be obtained when required and this indicates the existence of a material uncertainty that may cast doubt about the

Trust's ability to continue as a going concern. However, notwithstanding the deficits referred to above, the Trust does not have any evidence indicating that the going concern basis is not appropriate or that there is any prospect of intervention or dissolution within 12 months from the date of approval of these financial statements. In terms of the sustainable provision of services, there has been no indication from the Department of Health that the Trust will not continue to be a going concern. The directors have accordingly prepared the financial statements on a going concern basis.

## 1.2 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

### 1.2.1 Sources of estimation uncertainty

The following are assumptions about future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The month 12 patient related income includes estimates, based on an average income for the activity delivered in the month by each speciality, for the small proportion of episodes that did not have fully coded Healthcare Resource Group (HRG) data available in time for the closure of the annual accounts.

The Trust has made a judgement to defer some of the income received in 2017/18 (and previous years) where that income has been received to specifically fund an activity which will occur in a future financial year.

The Trust has determined that the transactions of the Aintree University Hospital Charitable Fund, for which the Trust is the Corporate Trustee, are immaterial in the context of the Trust and the transactions have not been consolidated.

## 1.3 Consolidation

Following HM Treasury's agreement to apply IAS27 to NHS Charities from 1 April 2013, the Trust has established that as the Trust is the corporate trustee of the linked NHS Charity 'The Aintree University Hospital Charitable Fund', it effectively has the power to exercise control so as to obtain economic benefits.

However, the transactions are immaterial in the context of the Trust and transactions have not been consolidated. Details of the transactions with the charity are included in the related parties' notes.

## 1.4 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable.

The main source of income for the Trust is contracts with commissioners in respect of healthcare services. Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract. Accrued income relates to known 2017/18 revenue that was not invoiced for as at 31 March 2018.

The NHS Foundation 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 e.g. by an insurer. The NHS Foundation Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit (CRU) that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual. However, a charge is recognised within expenditure as a provision for unsuccessful compensation claims and doubtful debts.

Sustainability and Transformation Fund (STF) income is recognised when the Trust has achieved financial and activity targets set by NHS Improvement. STF Incentive and Bonus income is recognised once notified by NHS Improvement.

## Revenue grants and other contributions to expenditure

Government grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

## 1.5 Expenditure on Employee Benefits

### Short-term Employee Benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

### Pension costs – NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales.

The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due. Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

## 1.6 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.

## 1.7 Exceptional Items

Exceptional Items are those items that, in the Trust's view, are required to be disclosed separately in Notes 3.1 and 4.1 by virtue of their size or incidence to enable a full understanding of the Trust's financial performance.

## 1.8 Property, Plant and Equipment

### 1.8.1 Recognition

Property, Plant and Equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- the item is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the cost of the item is 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 items are functionally interdependent
  - the items have broadly simultaneous purchase dates and are anticipated to have simultaneous disposal dates
  - the items are under single managerial control, or
  - the items form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost (i.e. grouped assets).

Where a large asset, for example a building, includes a number of

components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

### 1.8.2 Measurement

#### Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value. Fair value is determined as the lower of replacement cost and recoverable amount. An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

All land and buildings are revalued using professionally qualified valuers (in accordance with IAS 16) at least every five years. The valuations are carried out primarily on the basis of depreciated replacement cost, under the modern equivalent asset methodology, for specialised operational property and existing use value for non-specialised operational property. The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value. Assets in the course of construction are valued at cost and are valued by professional valuers when brought into operational use. All plant and machinery, transport equipment, information technology and furniture and fittings are treated as short-life assets with the depreciated historical cost deemed a proxy for fair value.

#### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the Trust and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

#### Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. In order to ensure that each individual component of the asset is appropriately depreciated, each component is given an individual life which is then aggregated into a 'weighted average life' and applied to the value of the asset. This ensures that individual components are depreciated appropriately. Freehold land is considered to have an infinite life and is not depreciated. Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

#### Revaluation gains and losses

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

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

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

#### Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefit or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the

income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

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

### 1.8.3 De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales
- the sale must be highly probable ie:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged 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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

### 1.8.4 Donated assets

Donated property, plant and equipment assets are capitalised at their fair value on receipt. The donation 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 is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

Donated assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

## 1.9 Intangible assets

### 1.9.1 Recognition

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

#### Internally Generated Intangible Assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and

will result in an intangible asset for sale or use;

- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

#### Software Licences

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

### 1.9.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

#### Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

### 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method less any provisions deemed necessary.

### 1.10 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.

## 1.11 Financial instruments and financial liabilities

### Recognition

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

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.

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

### De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership. Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

### Classification and Measurement

Financial assets are categorised as loans and receivables.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of

transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset. Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

### Financial Liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as non-current financial liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

### Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets are impaired. Financial assets are impaired and recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

## 1.12 Leases

### 1.12.1 The Trust as Lessee

#### Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS foundation trust, the asset is

recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

#### Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Operating lease income is received for the lease of buildings or land where the risks and rewards of ownership of the leased asset are retained by the Trust.

#### 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. Leased land is treated as an operating lease.

### 1.12.2 The Trust as Lessor

#### Finance leases

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

#### Operating leases

Rental income from operating leases is recognised on a straight line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease

are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

### 1.13 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

#### Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 14.2 but is not recognised in the NHS Foundation Trust's accounts.

#### Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

### 1.14 Contingencies

Contingent liabilities are not recognised, but are disclosed in Note 17, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### 1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets, (ii) average daily cash held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC) the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not amended should any adjustment to net assets occur as a result of the audit of the annual accounts.

### 1.16 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.17 Corporation Tax

Aintree University Hospital NHS Foundation Trust is a Health Service body within the meaning of s519A ICTA 1988 and accordingly is temporarily exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to disapply the exemption in relation to the specified activities of a Foundation Trust (s519A (3) to (8) ICTA), accordingly, the Trust is potentially within the scope of Corporation Tax in respect of activities which are not related to, or ancillary to, the provision of healthcare and where the profits exceed £50,000 per annum. However, there is no tax liability in respect of the current financial year.

### 1.18 Foreign Exchange

The functional and presentational currencies of the trust are sterling. A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

### 1.19 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

### 1.20 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS trusts not been bearing their own risks (with insurance premiums then



being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

### 1.21 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 below market value.

### 1.22 Standards issued but not yet adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2017/18. These standards are still subject to HM Treasury FReM adoption, with IFRS9 and IFRS15 being for implementation in 2018/19,

and the government implementation date for IFRS16 still subject to HM Treasury consideration.

- IFRS9 Financial Instruments - Application required for accounting periods beginning on or after 1 January 2018, not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS15 Revenue from contracts with Customers - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS16 Leases - Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRIC22 Foreign Currency Transactions and Advance Consideration - Application required for accounting periods beginning on or after 1 January 2018.

### 1.23 Segmental Analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board that makes strategic decisions. A segmental analysis is shown at Note 2.

## 2. Segmental Reporting

	Medicine and Emergency Care		Surgery		Total	
	2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000
<b>Income *</b>	<b>135,750</b>	127,408	<b>138,126</b>	143,346	<b>273,876</b>	270,754
<b>Expenditure *</b>						
Pay	(77,920)	(65,771)	(78,643)	(77,355)	(156,563)	(143,126)
Non-Pay	(31,659)	(30,705)	(33,794)	(35,756)	(65,453)	(66,461)
Total	(109,579)	(96,476)	(112,437)	(113,111)	(222,016)	(209,587)
			<b>Total Contribution</b>		<b>51,860</b>	61,167
			<b>Other Services **</b>		<b>(78,785)</b>	(58,986)
			<b>Total (Deficit) / Surplus</b>		<b>(26,925)</b>	2,181

\* The figures for both Medicine and Surgery include income from non-clinical services of:

	2017/18 £000	2016/17 £000
Surgery	3,968	4,087
Medicine	2,061	1,881
	<b>6,029</b>	5,968

\*\* "Other services" contains the following :

Income of £77,167,000 (2016/17, £72,686,000) Comprises Training and Education Levies, Direct Access Community Services, Service Level Agreements with other provider organisations, Research and Development and income generating activities (e.g. Catering, Injury Costs Recovery (ICR) income, etc.) and Sustainable & Transformational Fund (STF) Income.

Expenditure of £155,952,000 (2016/17, £131,672,000) Comprises Clinical Support Services (e.g. Radiology, Pathology, Physiotherapy, etc.), Central Support Departments (e.g. Estates & Maintenance, Hotel Services, Finance, HR, etc.), accounting charges for depreciation and the payment of a Public Dividend Capital dividend.

The Trust does not report total assets attributable to each operating segment to the Board. Consequently, total assets attributable to each operating segment are not disclosed.

The Trust considers the Board of Directors to be the Chief Operating Decision Maker (CODM) because it regularly reviews operating results, makes decisions about where resources are allocated as a result and assesses performance.

Income and expenditure arising from both the medicine and surgery departments are what is reported to the Board on a distinct and separate basis and therefore they have also been disclosed separately in the accounts.

The majority of the Trust's revenue is generated from three NHS customers, with each amounting to more than 10% of the Trust's total income. These customers generated income of £87.7m, £78.6m and £41.5m and are included in all of the segments reported above.

	2017/18 £000	2016/17 £000
<b>3.1 Operating Income</b>		
<b>Income from Activities by nature*</b>		
Elective income	45,492	49,915
Non elective income	90,818	82,306
Outpatient income	23,445	23,920
Follow up outpatient income	21,803	25,453
A & E income	13,834	12,319
High cost drug items from commissioners	21,455	19,955
Private patient income	1,618	1,681
Other types of non-PBR NHS clinical income	83,536	84,699
<b>Total Income from Activities</b>	<b>302,001</b>	300,248
<b>Total Other Operating Income</b>	<b>48,987</b>	43,123
<b>Total Operating Income</b>	<b>350,988</b>	343,371

\* £296m (£293m in 2016/17) of the £302m (£300m in 2016/17) Total Income from Activities relates to Commissioner Requested Services and £6m (£7m in 2016/17) is from non-Commissioner Requested Services.

	2017/18 £000	2016/17 £000
<b>Income from Activities by source</b>		
NHS Foundation Trusts	518	468
NHS Trusts	3,418	5,183
CCGs & NHS England	286,661	284,882
Local Authorities	653	761
Department of Health	26	20
NHS other	87	160
Non-NHS private patients	1,618	1,681
Non-NHS overseas visitors (chargeable to patient)	127	142
NHS Injury cost recovery scheme	2,408	2,136
Non-NHS other	6,485	4,815
<b>Total Income from Activities</b>	<b>302,001</b>	300,248
<b>Other Operating Income</b>		
Research and development	783	922
Education and training	12,494	12,882
Notional income from Apprenticeship Fund	360	0
Charitable contributions to expenditure (donated assets)	1,020	56
Non patient care services to other bodies	6,550	4,925
Sustainability and Transformation Fund income	10,591	10,284
Catering income	3,004	2,697
Car park income	2,782	2,679
Central funding for Consultant Clinical Excellence Awards	820	804
Income Generation schemes	1,099	1,086
Other income **	9,484	6,788
<b>Total Other Operating Income</b>	<b>48,987</b>	43,123
<b>Total Operating Income</b>	<b>350,988</b>	343,371

\*\* Other income consists of a number of items (such as charges to organisations using the Trust's facilities, income from various training courses) that, individually, total less than £1m.

	2017/18 £000	2016/17 £000
<b>3.2 Overseas visitors (relating to patients charged directly by the Foundation Trust)</b>		
Income recognised in-year	127	142
Cash payments received in-year (relating to current and prior years)	82	138
Amounts impaired in-year (relating to current or prior years)	0	12
Amounts written off in-year (relating to current and prior years)	23	9

4.1 Operating Expenditure	2017/18 £000	2016/17 £000
Clinical services from other NHS bodies	1,464	1,407
Purchases of healthcare from non-NHS bodies	1,192	3,170
Staff and Executive Directors Costs	221,408	208,269
Remuneration of Non-Executive Directors	116	121
Reversal of previously accrued potential redundancy costs	(1,331)	(684)
Drug costs	31,537	30,588
Supplies and services - clinical (excluding drugs)	45,052	45,321
Supplies and services - general	11,031	10,556
Establishment costs	4,076	3,757
Notional expenditure from Apprenticeship Fund	360	0
Transport costs	696	920
Premises costs	16,249	15,868
Bad debt charge	705	725
Rentals under operating leases	3,140	3,085
Depreciation of property, plant and equipment	5,216	5,327
Amortisation of intangible non-current assets	48	13
Impairment of Assets	23,395	0
Internal Audit costs	102	101
Audit fees relating to statutory audit	57	59
Audit assurance on the Quality Account	10	10
Other audit assurance work	4	4
Clinical negligence	6,703	6,118
Other expenditure	1,640	1,312
<b>Total operating expenditure</b>	<b>372,870</b>	<b>336,047</b>

4.2 Impairment of Assets	2017/18 £000	2016/17 £000
<b>Impairments charged to operating deficit</b>		
Changes in market price following a full revaluation of the Trust's estate	23,395	0
<b>Total impairments charged to operating deficit</b>	<b>23,395</b>	<b>0</b>
Total impairments charged to Revaluation Reserve	0	0
<b>Total impairments</b>	<b>23,395</b>	<b>0</b>

#### 4.3 Auditors Liability

The independent Auditors will accept liability to pay damages for losses arising as a direct result of breach of contract or negligence on its part in respect of services provided. The limitation on the independent Auditors' liability was set at £1m in the 2017/18 engagement letter (£1m in 2016/17).

5.1 Employee Expenses	2017/18 £000	2016/17 £000
Salaries and wages (including bank and locum staff)	171,693	163,481
Social security costs	15,735	15,018
Apprenticeship Levy	769	0
Employer's contribution to NHS Pensions	17,964	16,468
Employer's contribution to National Employer Savings Trust	11	7
Agency / contract staff	15,236	13,295
<b>Total</b>	<b>221,408</b>	<b>208,269</b>

Senior staff salary and pension disclosures have been included within the Remuneration Report.

#### 5.2 Early Retirements due to Ill Health

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year, the costs of which are met by NHS Pensions. There was 1 early retirement on the grounds of ill health in 2017/18 at a cost of £60,000 (10 at a cost of £551,000 in 2016/17). This information was supplied by NHS Pensions.

#### 5.3 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](http://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 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 scheme liability as at 31 March 2018, is based on valuation data as at 31 March 2017, updated to 31 March 2018 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 their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation was to be carried out as at 31 March 2016, and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

##### National Employment Savings Scheme (NEST)

The Pensions Act 2008 introduced automatic enrolment of eligible workers into a qualifying workplace pension scheme. The National Employment Savings Scheme (NEST) is a defined contribution pension scheme and the Trust has a duty to automatically enrol employees into the scheme, subject to certain criteria. However, the number of enrolments and the level of contributions are not material to the Trust's Accounts.

6.1 Finance Income	2017/18 £000	2016/17 £000
Interest on cash investments	0	36
Interest on bank deposits	55	32
<b>Total</b>	<b>55</b>	<b>68</b>

6.2 Finance Costs	2017/18 £000	2016/17 £000
Interest on loans from the Department of Health	1,585	1,657
Interest on Finance Leases	0	3
<b>Total</b>	<b>1,585</b>	<b>1,660</b>

## 7. Operating Leases

### 7.1 Aintree University Hospital NHS Foundation Trust as "Lessor"

Operating lease income	2017/18 £000	2016/17 £000
Property rentals recognised as income in the year	55	91
<b>Total</b>	<b>55</b>	<b>91</b>

Future minimum lease payments due	2017/18 £000	2016/17 £000
- not later than one year	39	32
<b>Total</b>	<b>39</b>	<b>32</b>

### 7.2 Aintree University Hospital NHS Foundation Trust as "Lessee"

Operating lease expenditure	2017/18 £000	2016/17 £000
Minimum lease payments	3,140	3,085
<b>Total</b>	<b>3,140</b>	<b>3,085</b>

Future minimum lease payments due	2017/18 £000	2016/17 £000
- not later than one year	875	1,104
- later than one year and not later than five years	1,398	1,818
- later than five years	0	18
<b>Total</b>	<b>2,273</b>	<b>2,940</b>

All operating lease expenditure refers to plant and equipment (medical equipment and lease cars).

8.1 Intangible Assets (Relates to software licenses.)	Total £000
<b>Cost at 1 April 2017</b>	<b>1,921</b>
Additions - purchased	868
Correction of gross historical balances (nil net impact)	(1,680)
<b>Cost at 31 March 2018</b>	<b>1,109</b>
<b>Accumulated amortisation at 1 April 2017</b>	<b>1,680</b>
Provided during the year	48
Correction of gross historical balances (nil net impact)	(1,680)
<b>Accumulated amortisation at 31 March 2018</b>	<b>48</b>
<b>Net book value total at 31 March 2018</b>	<b>1,061</b>

8.2 Intangible Assets 2016/17	£000
<b>Cost at 1 April 2016</b>	<b>1,828</b>
Additions - purchased	241
Assets fully amortised and no longer in use	(148)
<b>Cost at 31 March 2017</b>	<b>1,921</b>
<b>Accumulated amortisation at 1 April 2016</b>	<b>1,815</b>
Provided during the year	13
Assets fully amortised and no longer in use	(148)
<b>Accumulated amortisation at 31 March 2017</b>	<b>1,680</b>
<b>Net book value total 31 March 2017</b>	<b>241</b>

The useful economic life for all reported intangible assets is 5 years (2016/17, 5 years).

9.1 Property, Plant and Equipment	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport Equipment	Information technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost at 1 April 2017</b>	<b>235,193</b>	7,556	183,082	4,852	145	30,811	0	7,870	877
Additions - purchased	9,706	0	2,247	51	2,826	3,078	18	1,428	58
Additions - donations of physical assets	1,020	0	900	0	0	120	0	0	0
Impairments charged to operating expenses	(23,395)	0	(20,167)	(3,228)	0	0	0	0	0
Revaluations	(102)	(2,500)	2,354	44	0	0	0	0	0
Reclassifications	0	0	39	0	(39)	0	0	0	0
Disposal of assets with zero net book value (nil net impact)	(9,614)	0	0	0	0	(8,124)	0	(1,264)	(226)
<b>Cost at 31 March 2018</b>	<b>212,808</b>	<b>5,056</b>	<b>168,455</b>	<b>1,719</b>	<b>2,932</b>	<b>25,885</b>	<b>18</b>	<b>8,034</b>	<b>709</b>
<b>Accumulated depreciation at 1 April 2017</b>	<b>40,981</b>	0	9,144	502	0	23,809	0	6,933	593
Provided during the year	5,216	0	2,730	40	0	2,042	0	318	86
Revaluations	(9,574)	0	(9,073)	(501)	0	0	0	0	0
Disposal of assets with zero net book value (nil net impact)	(9,614)	0	0	0	0	(8,124)	0	(1,264)	(226)
<b>Accumulated depreciation at 31 March 2018</b>	<b>27,009</b>	<b>0</b>	<b>2,801</b>	<b>41</b>	<b>0</b>	<b>17,727</b>	<b>0</b>	<b>5,987</b>	<b>453</b>
<b>Net book value and financing</b>									
NBV - Purchased at 31 March 2018	182,853	5,056	162,855	1,678	2,932	8,011	18	2,047	256
NBV - Donated at 31 March 2018	2,946	0	2,799	0	0	147	0	0	0
<b>Net book value total at 31 March 2018</b>	<b>185,799</b>	<b>5,056</b>	<b>165,654</b>	<b>1,678</b>	<b>2,932</b>	<b>8,158</b>	<b>18</b>	<b>2,047</b>	<b>256</b>

9.2 Property, Plant and Equipment	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost at 1 April 2016</b>	<b>223,739</b>	7,556	161,058	4,819	13,138	29,058	7,441	669
Additions - purchased	11,501	0	9,106	33	145	1,605	404	208
Additions - donations of physical assets	56	0	0	0	0	56	0	0
Reclassifications	0	0	12,918	0	(13,138)	195	25	0
Assets fully depreciated and no longer in use	(103)	0	0	0	0	(103)	0	0
<b>Cost at 31 March 2017</b>	<b>235,193</b>	<b>7,556</b>	<b>183,082</b>	<b>4,852</b>	<b>145</b>	<b>30,811</b>	<b>7,870</b>	<b>877</b>
<b>Accumulated depreciation at 1 April 2016</b>	<b>35,757</b>	0	6,498	385	0	21,742	6,607	525
Provided during the year	5,327	0	2,646	117	0	2,170	326	68
Assets fully depreciated and no longer in use	(103)	0	0	0	0	(103)	0	0
<b>Accumulated depreciation at 31 March 2017</b>	<b>40,981</b>	<b>0</b>	<b>9,144</b>	<b>502</b>	<b>0</b>	<b>23,809</b>	<b>6,933</b>	<b>593</b>
<b>Net book value and financing</b>								
NBV - Purchased at 31 March 2017	192,696	7,556	172,496	4,350	145	6,928	937	284
NBV - Donated at 31 March 2017	1,516	0	1,442	0	0	74	0	0
<b>Net book value total at 31 March 2017</b>	<b>194,212</b>	<b>7,556</b>	<b>173,938</b>	<b>4,350</b>	<b>145</b>	<b>7,002</b>	<b>937</b>	<b>284</b>

10. Inventories	31 March 2018 £000	31 March 2017 £000
Drugs	2,223	2,193
<b>Total Inventories</b>	<b>2,223</b>	<b>2,193</b>

Drug costs recognised in expenses in 2017/18 were £31,537,000 (£30,588,000 in 2016/17) of which £31,492,000 were inventory items. The write down of inventories recognised as an expense for the year was £0 (£0 in 2016/17)

11.1 Trade and Other Receivables	31 March 2018 £000	31 March 2017 £000
<b>Current</b>		
Trade receivables	9,884	10,742
Injury Costs Recovery Scheme (ICR) receivables	4,169	3,928
Provision for impaired receivables	(1,598)	(1,785)
Prepayments	3,033	2,274
Accrued income	7,270	4,010
PDC dividend receivable	454	468
<b>Total Current Trade and Other Receivables</b>	<b>23,212</b>	<b>19,637</b>

Of which £14,870,000 were current receivables from NHS and DHSC Group Bodies.

None of the receivable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

11.2 Provision for Impairment of Receivables	2017/18 £000	2016/17 £000
<b>As at 1 April</b>	<b>1,785</b>	<b>1,582</b>
Increase in provision	730	916
Amounts utilised	(892)	(522)
Unused amounts reversed	(25)	(191)
<b>As at 31 March</b>	<b>1,598</b>	<b>1,785</b>

**11.3 Analysis of Impaired Receivables**  
Receivables in this section only refer to outstanding aged debt for which invoices have been raised. They do not include debts that arise under statute, such as Injury Cost Recovery (ICR) claims, which comprise the majority of the Trust's impaired debt.

	2017/18 £000	2016/17 £000
<b>Ageing of impaired receivables</b>		
0 - 30 days	0	13
31 - 60 days	0	6
61 - 90 days	5	1
91 - 180 days	11	2
Over 180 days	48	70
<b>Total</b>	<b>64</b>	<b>92</b>
<b>Ageing of non-impaired receivables</b>		
0 - 30 days	3,739	1,729
31 - 60 days	819	1,026
61 - 90 days	872	307
91 - 180 days	716	1,557
Over 180 days	1,832	1,591
<b>Total</b>	<b>7,978</b>	<b>6,210</b>

The majority of the NHS Foundation Trust's income is due from NHS commissioners and is subject to legally binding contracts which limits credit risk. Non-NHS customers form only a small proportion of total income and the majority of those customers are organisations that are unlikely to cease trading in the short term or default on payments (e.g. councils or universities).

12.1 Trade and Other Payables	31 March 2018 £000	31 March 2017 £000
<b>Current</b>		
Trade payables	8,891	11,589
Capital payables	6,550	2,084
Accruals	22,758	14,598
Tax payable (income tax, national insurance and apprenticeship levy)	4,190	4,069
<b>Total Current Trade and Other Payables</b>	<b>42,389</b>	<b>32,340</b>

Of which £14,185,000 current payables were from NHS and DHSC Group bodies.

None of the payable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

12.2 Other Liabilities	31 March 2018 £000	31 March 2017 £000
<b>Current</b>		
Deferred income	7,199	6,263
<b>Total Other Current Liabilities</b>	<b>7,199</b>	<b>6,263</b>
<b>Non-Current</b>		
Deferred income falling due later than 1 year but less than 5 years	131	609
Deferred income falling due later than 5 years	144	168
<b>Total Other Non-Current Liabilities</b>	<b>275</b>	<b>777</b>

13. Borrowings	31 March 2018 £000	31 March 2017 £000
<b>Current</b>		
Capital loans from the Department of Health (DoH)	2,655	2,423
<b>Total Current Borrowing</b>	<b>2,655</b>	<b>2,423</b>
<b>Non-Current</b>		
DoH loans falling due later than 1 year but less than 5 years	10,621	9,693
DoH loans falling due later than 5 years	38,490	36,273
<b>Total Non-Current Borrowing</b>	<b>49,111</b>	<b>45,966</b>

Analysis of DoH loans	Interest rate	Term (years)
Loan 1 - (Original value £24,000,000) Agreement Date 16 March 2010	4.27%	25
Loan 2 - (Original value £20,000,000) Agreement Date 19 March 2012	2.92%	25
Loan 3 - (Original value £15,000,000) Agreement Date 15 December 2014	2.62%	25
Loan 4 - (Original value £5,800,000) Agreement Date 6 February 2018	1.86%	25

14.1 Provisions	Total £000	Pensions £000	Other legal claims £000	Other £000
<b>As at 1 April 2017</b>	<b>2,600</b>	702	443	1,455
Arising during the year	252	19	233	0
Utilised during the year	(159)	(80)	(79)	0
Reversed unused	(1,667)	(4)	(208)	(1,455)
<b>As at 31 March 2018</b>	<b>1,026</b>	<b>637</b>	<b>389</b>	<b>0</b>

#### Expected timings of cash flows:

- not later than one year	469	80	389	0
- later than one year and not later than five years	267	267	0	0
- later than five years	290	290	0	0
<b>TOTAL</b>	<b>1,026</b>	<b>637</b>	<b>389</b>	<b>0</b>

"Pensions" include the likely cost of permanent injury and early retirement pension compensation settlements and the subsequent application of the appropriate value supplied by the Government's Actuary Department to assess the total provision required for the anticipated duration of the liability. It does not include any provision relating to former Directors.

"Other legal claims" comprises provisions in respect of the Trust's employer and public legal liabilities.

14.2 Clinical Negligence liabilities (see note 1.13 for further information)	Total £000
Amount included in provisions of the NHS Resolution at 31 March 2018 in respect of clinical negligence liabilities of Aintree University Hospital NHS Foundation Trust	26,734
Amount included in provisions of the NHS Resolution at 31 March 2017 in respect of clinical negligence liabilities of Aintree University Hospital NHS Foundation Trust	25,912

15. Cash and Cash Equivalents	31 March 2018 £000	31 March 2017 £000
<b>At 1 April</b>	<b>9,961</b>	21,312
Net change in year	1,232	(11,351)
<b>At 31 March</b>	<b>11,193</b>	<b>9,961</b>
Cash at commercial banks and in hand	44	50
Cash with GBS (Government Banking Service)	11,149	9,911
<b>Cash and cash equivalents as in the Statement of Financial Position</b>	<b>11,193</b>	<b>9,961</b>
Bank overdraft	0	0
<b>Cash and cash equivalents as in the Statement of Cash Flows</b>	<b>11,193</b>	<b>9,961</b>

#### 16. Contractual Capital Commitments

Commitments under property, plant and equipment capital expenditure contracts, as at 31 March 2018, were £123,000 (£1,783,000 as at 31 March 2017).

17. Contingent Liabilities	31 March 2018 £000	31 March 2017 £000
Contingent liabilities	10	16
	<b>10</b>	<b>16</b>

The contingent liabilities recorded reflect amounts relating to employer liability legal cases not provided for in Note 14.1, as it is not considered probable that they will fall due. The amount recorded as a contingency is the difference between the amount provided in Note 14.1 and the agreed NHSLA excess level (i.e. the maximum which the Trust could be required to pay).

#### 18. Related Party Transactions

The Foundation Trust's parent entity is the Department of Health and Social Care.

During the year reported in these accounts, none of the Board Members, Governors or key management staff have undertaken any material transactions with Aintree University Hospital NHS Foundation Trust. Details of Directors' remuneration and other benefits are included in the Annual Report's Remuneration Report.

Some staff and Governors of the Trust have an interest in the management of Woodlands Hospice Charitable Trust (a Hospice sited on the Trust grounds). However, the Trust does not enter into significant income and expenditure transactions with the Charity, although it does undertake some transaction processes on its behalf, such as procurement.

Members of the Board of Directors and Governors of the Trust hold positions at Universities but are not in a position to materially affect transactions between the two parties. The Trust has had a significant number of material transactions with the Universities of Liverpool and Edge Hill as follows:-

	Expenditure 2017/18 £000	Expenditure 2016/17 £000	Income 2017/18 £000	Income 2016/17 £000	Receivable balance 31 March 2018 £000	Receivable balance 31 March 2017 £000	Payable balance 31 March 2018 £000	Payable balance 31 March 2017 £000
University of Liverpool	1,810	1,719	243	276	126	82	25	20
Edge Hill University	273	240	225	209	22	12	12	0

Aintree University Hospital NHS Foundation Trust has had a significant number of material transactions with South Sefton, Liverpool and Knowlsey CCGs in 2017/18 and held receivable and payable balances with them as at 31 March 2018:

	Expenditure 2017/18 £000	Expenditure 2016/17 £000	Income 2017/18 £000	Income 2016/17 £000	Receivable balance 31 March 2018 £000	Receivable balance 31 March 2017 £000	Payable balance 31 March 2018 £000	Payable balance 31 March 2017 £000
South Sefton CCG	0	0	90,134	89,882	247	0	0	814
Liverpool CCG	0	17	84,782	83,112	152	113	3	17
Knowlsey CCG	0	0	32,768	32,704	21	14	83	0

Aintree University Hospital NHS Foundation Trust has also had a significant number of transactions with other NHS or Government departments which are all classed as "related parties" to the Trust. Material transactions and/or balances in excess of £2m are detailed below:

	Expenditure 2017/18 £000	Expenditure 2016/17 £000	Income 2017/18 £000	Income 2016/17 £000	Receivable balance 31 March 2018 £000	Receivable balance 31 March 2017 £000	Payable balance 31 March 2018 £000	Payable balance 31 March 2017 £000
Health Education England	3	0	13,417	13,620	64	48	0	6
NHS England - Core (including STF)	0	0	12,615	10,284	6,533	3,753	0	0
NHS England Cheshire & Merseyside Local Team	0	0	11,172	11,414	434	1,851	0	0
NHS England North West Commission	0	0	43,153	40,242	823	221	18	0
West Lancashire CCG	0	0	6,063	5,819	219	219	5	0
St Helens CCG	0	0	2,504	2,809	0	0	57	0
Southport & Formby CCG	0	0	7,073	8,764	45	867	0	0
Wirral CCG	0	0	2,742	2,994	43	57	7	0
The Walton Centre NHS FT	136	173	3,255	3,333	1,597	1,247	206	90
Liverpool Community Health NHS Trust	1,155	2,329	255	1,143	171	112	1,000	55
Royal Liverpool & Broadgreen University Hospitals NHS Trust	14,322	13,182	5,811	4,880	1,259	830	4,386	3,204
Betsi Cadwaladar University Local Health Board	0	0	3,613	3,242	0	0	0	0
Isle of Man DoH and Social Care	0	0	2,574	2,130	0	0	0	0
NHS Resolution	6,703	6,118	0	0	0	0	6	0
NHS Business Services Authority	17,220	16,103	0	0	0	0	0	325
National Insurance Fund	15,743	15,026	0	0	0	0	2,246	2,147
NHS Pension Scheme	17,964	16,468	0	0	0	0	2,541	2,298

All the transactions referred to in this note were on normal commercial terms.

The Trust is the corporate trustee of The Aintree University Hospital Charitable Fund (Regn no: 1050542). The Charitable Fund Accounts have not been consolidated into these accounts as the transactions are considered immaterial in the context of the Trust. The provisional turnover of the Charity in 2017/18 was £332,000 (£174,000 in 2016/17) and its net assets were £1,022,000 (£1,013,000 in 2016/17). The Trust provides a financial and administration service for the Charity for which the Charity paid £45,000 in 2017/18 (£44,000 in 2016/17).

An Annual Report and Audited Accounts of the Trust's Charity (covering the year reported in these Accounts) will be available from 31 January 2019 and may be accessed via the Charity Commission website at [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk).

## 19. Financial Instruments

Although the NHS Foundation Trust does not hold or deal in complex financial instruments, it is required to comment upon its exposure to credit, liquidity and market risk and how those risks are managed.

### 19.1 Exposure to Risk

a) The majority of the NHS Foundation Trust's income is due from NHS commissioners and is subject to legally binding contracts which limits credit risk. Non-NHS customers form only a small proportion of total income and the majority of those customers are organisations that are unlikely to cease trading in the short term or default on payments (e.g. councils, universities, Woodlands Hospice, etc.).

b) The NHS Foundation Trust is exposed to liquidity risk in that it needs to maintain sufficient cash balances to meet payable obligations in order to ensure continuity of service. However, that risk is mitigated by the regular monthly receipt of contractual cash from NHS commissioners.

c) As the NHS Foundation Trust does not deal in currencies, invest cash over the long term, borrow at variable rates or hold any equity investments in companies (other than its own subsidiary) its exposure to market risk (either interest rate, currency or price) is limited.

### 19.2 Managing Risk

a) To manage credit risk, the NHS Foundation Trust has documented debt collection procedures which are regularly reviewed and ensures that its credit control staff are adequately trained and resourced. Potential payment defaulters are identified at an early stage and appropriate action is taken on a timely basis. (Also see measures to manage liquidity at (b)).

b) The NHS Foundation Trust ensures that daily cash flows are examined and the investment of surplus cash is restricted to a term of three months. Cash investments are also restricted to highly rated, UK domiciled, financial institutions and the levels of cash deposited in any individual institutions at any one time is restricted. Cash management is governed by a regularly reviewed Board Policy and departmental procedure notes.

c) Market risk is managed by limiting investments to fixed rate and fixed term with credit worthy institutions, based upon market knowledge as to the likely movements in interest rates.

### 19.3 Financial Assets by Category

Assets as per Statement of Financial Position	Loans and receivables 31 March 2018 £000	Loans and receivables 31 March 2017 £000
Trade and other receivables (excluding non-financial assets)	14,990	12,158
Cash and cash equivalents	11,193	9,961
<b>Total Financial Assets</b>	<b>22,656</b>	<b>22,119</b>

Financial assets do not include receivables arising by statute (e.g. Injury Costs Recovery scheme receivables).

### 19.4 Financial Liabilities by Category

Liabilities as per Statement of Financial Position	Financial liabilities 31 March 2018 £000	Financial liabilities 31 March 2017 £000
Borrowings (excluding finance leases)	51,766	48,389
Trade and other payables (excluding non-financial liabilities)	38,199	28,271
<b>Total Financial Liabilities</b>	<b>87,903</b>	<b>76,660</b>

### 19.5 Fair value of Financial Instruments

The Trust has 4 capital loans from the Department of Health which, in the main, are categorised as non-current financial liabilities. The carrying value of the liability is considered to approximate to fair value as the arrangement is of a fixed interest and equal instalment repayment nature and the interest rate is not materially different to the discount rate.

The carrying values of short term financial assets and financial liabilities are considered to approximate to fair value.

## 20. Third Party Assets

The Trust held £1,842 cash and cash equivalents as at 31 March 2018 (£2,691 as at 31 March 2017) which related to monies held by the Trust on behalf of patients. These figures have been excluded from cash and cash equivalents reported in the Accounts.

## 21. Losses and Special Payments

There were 436 cases of losses and special payments in 2017/18 (374 in 2016/17). These are accounted for on an accruals basis and exclude provisions for future losses. As no individual losses exceeded £300,000, none require analysing separately.

	2017/18 Numbers	2017/18 Value £000	2016/17 Numbers	2016/17 Value £000
<b>Losses</b>				
Overpayment of salaries	13	8	7	8
Injury Cost Recovery claims withdrawn	660	850	270	358
Private Patient debts	2	1	3	1
Overseas Visitor debts	11	23	5	9
Other bad debts and claims abandoned	28	16	16	4
	<b>714</b>	<b>898</b>	<b>301</b>	<b>380</b>
<b>Special Payments</b>				
Ex gratia payments in respect of loss of personal effects	23	5	18	3
Ex gratia payments in respect of loss of personal injury with advice	19	101	47	212
Other ex gratia payments	9	5	8	3
	<b>51</b>	<b>111</b>	<b>73</b>	<b>218</b>
<b>Total</b>	<b>765</b>	<b>1,009</b>	<b>374</b>	<b>598</b>



