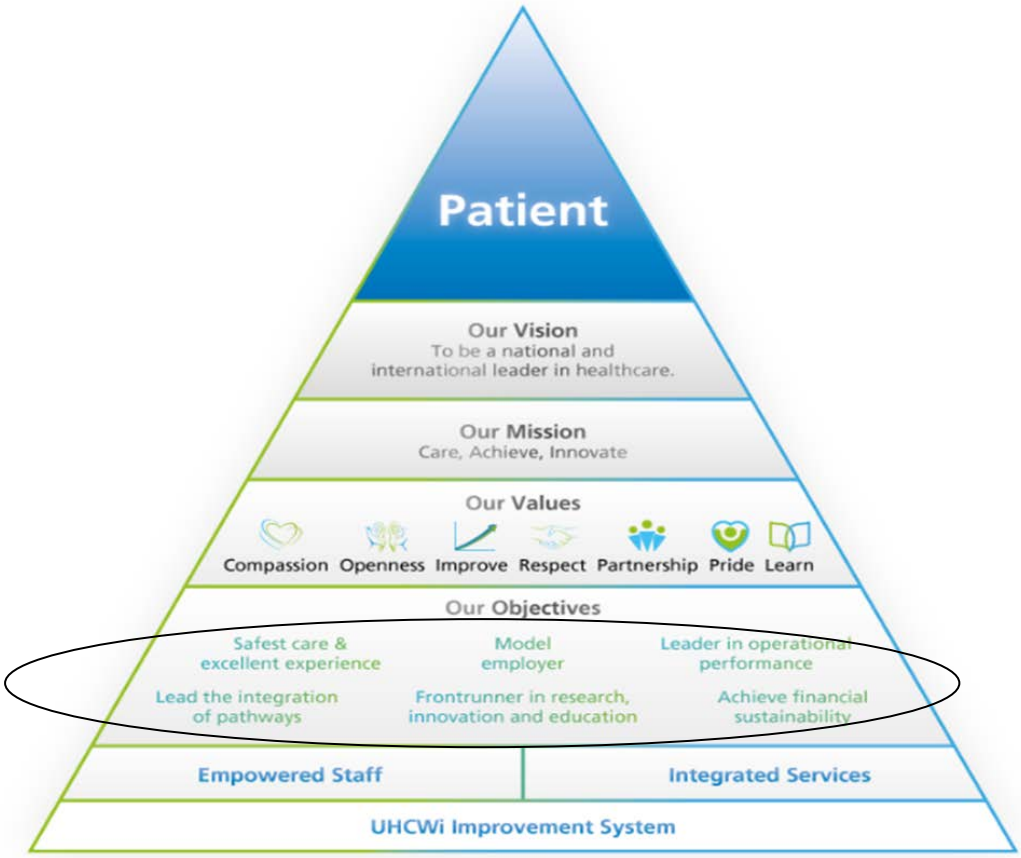
University Hospitals Coventry and Warwickshire NHS Trust

ANNUAL GENERAL MEETING
HELD AT 5:30PM TO 7:00PM ON THURSDAY 29 JULY 2021
LIVE STREAMED VIA MS TEAMS

AGENDA

Item	Item of Business	Lead	Timings
1.	**Welcome**	Stella Manzie Chair	5:30
2.	**Look Back Over the Year 2020-21**	Andy Hardy Chief Executive Officer	5:35
3.	**Summary of the Financial Accounts 2020/21** and to formally receive and note the 2020/21 Annual Report and Accounts	Susan Rollason Chief Finance Officer	5:50
4.	**Summary of the Quality Account 2020/21**and to formally receive and note the 2020/21 Quality Account	Mo Hussain Chief Quality Officer	6:05
5.	**Accelerator Programme and Tackling the Backlog after Covid-19**	Andy Hardy Chief Executive Officer	6:20
	Questions from Members of the Public These can be submitted during the meeting via the Live Streaming link and will be taken after each presentation		6:45


Patient
Our Vision
To be a national and international leader in healthcare.
Our Mission
Care, Achieve, Innovate
Our Values
Compassion
Openness
Improve
Respect
Partnership
Pride
Learn
Our Objectives
Safest care & excellent experience
Model employer
Leader in operational performance
Lead the integration of pathways
Frontrunner in research, innovation and education
Achieve financial sustainability
Empowered Staff
Integrated Services
UHCWi Improvement System

Inspected and rated
Good
Care Quality Commission

NHS
University Hospitals Coventry and Warwickshire
NHS Trust

Annual Report & Accounts
2020/2021

Annual Report & Accounts 2020/21

Contents

Part 1 **Welcome**

1.1.1 Chair and Chief Executive's Overview

Welcome to our Annual Report for 2020/21.

The last year has seen UHCW embark upon the biggest challenge it has ever faced in responding to the Covid-19 pandemic.

We wish to pay tribute to the amazing staff at UHCW who have done so much to care for those affected by Covid-19, doing so in difficult conditions with a whole range of uncertainties, as knowledge and understanding of the infection developed. Many staff have undertaken tasks they have never done before and they have done so cheerfully and willingly, wanting to support colleagues in other teams. Our teams have made so many sacrifices to ensure we continue to deliver exceptional care to the communities we serve.

We also want to thank everyone who has supported us in Coventry and Warwickshire throughout this difficult time. The generosity shown by the public and local industries has undoubtedly helped us when faced with adversity and we have all been on this journey together.

Whether this was stepping up Critical Care capacity, diverting emergency patients to ensure they received the best care possible, reinstating services, continuing essential services such as cancer surgery and the redeployment of staff, there are so many ways in which our staff have gone above and beyond.

We were immensely fortunate to be selected to be the NHS site which delivered the first Covid-19 vaccination in the UK to Mrs Maggie Keenan and this meant we could give our own staff and vital partners such as home care staff, vaccinations early in the vaccination programme, eventually expanding to two clinics which continue the task of getting as much of the population vaccinated as possible.

In this annual report you will read about both our challenges and our success stories as we close out a year like no other and, as Chair and Chief Executive Officer, we are both so proud of what has been achieved. It has been a privilege to be able to give the public an insight into the life of the Trust as we tackle its ups and downs through media partnerships including BBC Hospital and Panorama.

We will take what we have learned to help shape the future of the NHS locally as well as contributing to global developments in healthcare. This includes ensuring we work with our partners to address health inequalities. We are working with other leaders in the local health system and in local government to deliver improvements in health and social care via an Integrated Care System which begins formally in 2022 but with a great deal of work taking place right now. We have also held promising talks on how we can play our part as an anchor institution in Coventry and Warwickshire and the Midlands to help overcome issues laid bare by the pandemic.

We would like to once again show our unreserved appreciation, on behalf of the Trust Board, to all our Trust colleagues, volunteers and partners. There really aren't enough words to express our pride at the inspiring way they have continued to care, achieve and innovate while providing the best possible service for our patients.

We look forward to working with all of our colleagues and partners in 2021/22.

Dame Stella Manzie
Chair

Professor Andrew Hardy
Chief Executive Officer

1.1.2 The year in pictures

April 2020 - We Clap for Lei / BBC Panorama

At the height of the first wave of the pandemic, University Hospital, Coventry, opened its doors to a small crew from BBC Panorama for a fly-on-the-wall programme to offer a unique insight into Covid-19 on the frontline.

The BBC filmed extensively across the hospital to relay key Government messages about the importance of washing hands and staying at home.

Featured during the programme was an extra poignant Clap for Carers in tribute to our colleague Leilani Dayrit, a Clinical Sister at the Hospital of St Cross, Rugby, who sadly passed away due to Covid-19. Leilani was a very caring, passionate and proud nurse, who will be remembered for her big smile, strong willpower and a hugely positive and optimistic approach to life.

May 2020 – UHCW launches its long-Covid-19 clinic

Dr Asad Ali, Consultant Respiratory Physician, and Clare Pheasant, Associate Director for Allied Health Professions, set up a clinic to help patients who were suffering with long-Covid-19 symptoms and have since advised other Trusts on how to set up similar models.

Post-Covid-19 syndrome, also referred to as long-Covid-19, is when people are physically and mentally struggling with symptoms of Covid-19 for more than 12 weeks. These symptoms can include breathlessness and fatigue. Going on to expand during the second wave, UHCW's long-Covid-19 clinic has helped over 550 patients.

Elsewhere in the Trust, the Virology and Molecular Pathology Laboratory moved from an 8am until 6pm service to a 24/7 one. This was thanks to redeployed staff from different parts of Pathology, as well as volunteers and medical students.

June 2020 - Claudia Anghel - Rankin photo, Piccadilly Circus

Claudia Anghel, a midwife of 26 years, was photographed by world-famous photographer, Rankin, alongside other health professionals from across the country including a paramedic, 111 call-handler, ICU consultant, a ward cleaner and a district nurse.

The striking collection was showcased across the country at bus stops, roadside billboards and iconic pedestrian areas to mark the 72nd anniversary of the NHS.

During the NHS's response to the coronavirus pandemic, Claudia, a Labour Co-ordinator at University Hospital, Coventry, was instrumental in putting in place vital new measures on the maternity wards to provide safe care to mums, babies and their families, at what was a stressful and uncertain time.

July 2020 – Green Pathways open at UHCW Hospitals

Our Green Pathways launched at both of our hospital sites in July as part of plans to begin restoring services paused due to the Covid-19 pandemic.

The pathways, which are Covid-19-free areas of the hospitals, rely on rigorous infection control guidelines and safe discharge procedures for staff to follow to ensure services are delivered in the safest way possible.

Patients booked for surgery were asked to self-isolate in their homes for 14 days prior to admission. They were also screened for Covid-19 and had a welfare check before admission to ensure surgery could go ahead.

Hospital volunteers helped patients get where they need to be, whilst new signage was installed to help guide them through the process.

August 2020 – Pathology services receive £13.5 million funding boost

A major £13.5 million funding boost was announced to further enhance Pathology services at the Trust and speed up the diagnosis of deadly diseases such as cancer.

The PathLAKE (Pathology Image Data Lake for Analytics Knowledge and Education) Centre, based at University Hospital in Coventry, was named as one of three centres set to receive the cash injection following its work in Digital Pathology, a process where patient samples are digitally scanned to create detailed images.

Patients will benefit from earlier and more accurate diagnosis of diseases as a result of improvements in technology, with crucial Pathology and Imaging services, including Radiology, able to provide more personalised treatment for patients, free up clinicians' time and ultimately save lives.

September 2020 – Same day discharges for patients with partial knee replacements

An innovative and collective approach to care at the Hospital of St Cross, Rugby, allowed patients to be discharged on the same day as their partial knee replacement surgery – compared to the previous three-day waiting period post-surgery.

A closer alignment of orthopaedic services, involving surgery, therapy and nursing, meant that more patients were able to reap the benefits in what was described as the 'way forward for surgery' at the hospital.

In September, the Hospital of St Cross also introduced a pilot scheme to help prevent, detect and treat delirium. Ninety% of staff received delirium awareness training before the three-month-long pilot's introduction, which aims to improve patient outcomes, safety and experience. Additionally, the hospital was given the green light for more than £1 million of funding to be invested in a new Haematology and Oncology Day Unit due to open in 2021.

October 2020 – UHCW offers pioneering brain surgery while patients are awake

In October the world class work of a wide variety of specialisms led to UHCW becoming one of only a handful of Trusts across the country to offer pioneering brain surgery while patients are awake.

A craniotomy is the process of temporarily removing part of the skull so surgeons can operate on the brain itself. It is the most common type of operation used to treat a brain tumour. The Awake Craniotomy Service performs the same surgery, with the difference being that the patients are kept awake.

Patients, including a prison officer in his 30s who was able to have his low grade glioma (non-cancerous tumour) completely removed, have benefitted from the combined expertise of teams. The operation ensures neurological function is preserved. The feedback and upturn seen in patients so far has been really encouraging.

November 2020 – New heart arrhythmia treatment offered to patients

UHCW became the first Trust in the United Kingdom to offer patients access to the DiamondTemp ablation system, a new way to treat heart arrhythmias.

Ablation is a non-invasive treatment used to treat abnormal heart rhythms (arrhythmias). Catheters (thin wires) are inserted into patients' hearts via the blood vessels and radiofrequency energy (heat) is used to destroy the bad tissue causing the arrhythmias.

The DiamondTemp allows the temperature of the ablation catheter to be monitored far more accurately.

This gives the operating team more control of the radiofrequency energy delivered and means the treatment is safer for our patients, and even the most complex types of arrhythmias such as atrial fibrillation and ventricular tachycardia can be treated.

December 2020 – UHCW delivers world's first Covid-19 vaccine

With the world watching on, Margaret Keenan became the first person in the world, outside of clinical trials, to receive a Covid-19 vaccine when she received her jab at University Hospital, Coventry, just one week before her 91st birthday.

At 6:31am on 8th December, the first dose was drawn up by Nicole Hadland, Senior Aseptic Pharmacy Technician, and administered by Modern Matron, May Parsons.

The moment was captured by national and international media and has become an image of hope in the fight against Covid-19.

Shortly afterwards, in the new Covid-19 Vaccination Centre at University Hospital, William Shakespeare, aged 81, became the first man in the world to receive the Covid-19 vaccine.

January 2020 - Duchess of Cambridge thanks UHCW nurses

In January the Duchess of Cambridge spoke with nurses with a variety of different roles at UHCW about their experiences of the pandemic and why their profession is so important.

Her Royal Highness hailed the vital role that nurses are playing in the vaccine roll-out and spoke with Caroline Rudd and Judith Smith, two retired nurses who first met when they began training as nurses working at UHCW in 1978 and have returned to the NHS together to help with the vaccination programme in care homes.

The Duchess also spoke to Professor Nina Morgan, our Chief Nursing Officer, Joe Colby, Lead Nurse for Gastroenterology, and Vasu Lingappa, Critical Care Outreach Practitioner, and thanked them for their professionalism and adaptability. January also saw a new Lloyds Pharmacy open in the main foyer at University Hospital, to offer products to support dermatology and ophthalmology, as well as medication patients might need after attendance at our Minor Injuries Unit.

February 2020 - NHS Chief Executive visits vaccination clinics

UHCW had the pleasure of welcoming Sir Simon Stevens, the Chief Executive of the NHS, to University Hospital.

Sir Simon visited our vaccination clinics and heard about the inspiring work taking place across the Trust in areas including the Arden Cancer Centre and our respiratory wards.

What impressed Sir Simon the most was the unity being shown across the Trust to meet our challenges head on.

He said: "After a year of huge pandemic pressure, it has been a unique team effort that gives us real hope for the future."

March 2020 – UHCW reaches 30,000 vaccines

Thanks to a fantastic team effort, the Trust reached the milestone of administering 30,000 doses of the Covid-19 vaccine in less than three months.

This achievement came just days after the number of Covid-19 positive patients dropped below the 100 mark for the first time since 12th December.

Our Chief Nursing Officer, Professor Nina Morgan, said: "To pass 30,000 in such a short time was an incredible achievement. Staff and volunteers came together so quickly to get our clinics up and running and the vaccines rolled out."

Also in March, staff working in Critical Care were presented with a High Sheriff of Warwickshire Award in recognition of their outstanding work throughout the Covid-19 pandemic.

1.1.3 Awards and Successes

- Our Research and Development team took part in a World Health Organisation study aiming to better understand Covid-19, improve patient care and inform policy and planning.
- Sister Lakhi Kaur was put forward as the face of the NHS and its response to the Covid-19 pandemic as she graced the front cover of the Royal Photographic Society (RPS) Journal.
- Our Maternity Department was shortlisted for the Changing Culture Award at the HSJ Patient Safety Awards, recognising the initiative's outstanding contribution to healthcare.
- A new state-of-the-art leadless pacemaker, the smallest in the world at approximately 2cm in length, was successfully implanted in a patient at University Hospital for the first time.
- The Medical Retina Nurse Led Intravitreal Injection Service was named as a finalist in the People and Organisational Development Initiative of the Year award at the Health Service Journal Value Awards. The service provides patients with intravitreal injections to help protect their vision.
- UHCW achieved the highest reduction in waiting times for all cancer procedures, scans and reviews for the region throughout the coronavirus pandemic. Only one patient from University Hospital waited longer than the national standard.
- UHCW was one of only two UK applicants to join a prestigious training series to upskill healthcare leaders across Europe. The Trust was selected to join applicants from hospitals in Madrid, Valencia and Rome to share ideas to drive healthcare innovation forward.
- Ayman Bannaga, Clinical Research Fellow in Gastroenterology, was awarded a National Scholarship Award from the United European Gastroenterology (UEG). The award provides funding for promising junior level researchers.
- Ramesh Arasaradnam, Professor of Gastroenterology, was awarded an Order of the British Empire (OBE) in the Queen's Birthday Honours list in recognition of his services to the NHS during the Covid-19 pandemic.
- UHCW became one of only a handful of Trusts across the country to offer pioneering brain surgery while patients are awake.
- Professor Siobhan Quenby, Consultant Obstetrician, met Her Royal Highness (HRH) The Duchess of Cambridge during a visit to a miscarriage research centre in London as part of Baby Loss Awareness Week.
- Three departments at UHCW (Ophthalmology, Rheumatology and Vascular Physiology) were awarded first prize at the 10th annual Kettering Eye Meeting for their collective work as part of the Coventry Giant Cell Arteritis (GCA) fast track pathway.
- Transplantation Consultant Professor Nithya Krishnan was named as a finalist at the Asian Women of Achievement Awards 2020 in the Professions category.
- Our Stroke team was awarded an A Grade for its services by the Sentinel Stroke National Audit Programme (SSNAP).
- The Tommy's National Reproductive Health Biobank service, based at University Hospital, was highly commended in the UK Biobank of the Year Awards.
- UHCW became the first Trust in the UK to gain access to the DiamondTemp ablation system, a new way to treat heart arrhythmias which is safe for patients.
- Our Service Line Review (SLR) team was a finalist in the Healthcare Financial Management Association (HFMA) National Healthcare Finance Awards 2020.
- The innovative work of our Research and Development Team was recognised at the West Midlands Clinical Research Network Regional Awards. Lead Nurse Nicolas Aldridge and Digital and Data Delivery Manager Jason Allen scooped the Digital Innovation Award for developing the Patient Tracker, a software tool aiding in the management of patients in research studies and clinical trials. The Patient Tracker was also shortlisted in the HSJ Value Awards.
- Our Occupational Health team was granted SEQOHS (Safe Effective Quality Occupational Health Standards) accreditation.
- UHCW is set to be granted freedom of entry to the city of Coventry in recognition for the incredible work NHS staff have done across the city.
- The world's first Covid-19 vaccine outside of clinical trials was administered at University Hospital by Modern Matron May Parsons to 90-year-old grandmother Margaret Keegan.
- Staff on Critical Care were presented with a High Sheriff of Warwickshire Award in recognition of their outstanding work throughout the Covid-19 pandemic.

Series 7 of Hospital on BBC2 was filmed at UHCW from February to June 2021 and demonstrates the incredible compassion and care given by our staff during the pandemic.

Part 2 Performance Report

2.1 Overview

The national context for 2020/21 continues to be challenging, both operationally and financially and these challenges will continue. Despite the challenges, the Trust continued the journey to be a national and international leader in healthcare. We continued to utilise UHCWi improvement methodology to work differently to address operational pressures that have arisen due to the Covid-19 pandemic.

The impact of the pandemic on the Trust and its services can be seen in the end of year performance against standards and will continue to be reflected in 2021/22 as the Trust commences a process of elective restoration of services in line with national guidance. We have worked closely with our system partners including the independent sector to deliver safe patient pathways.

Mandatory training compliance and Medical Appraisal rates have been maintained during 2020/21.

2.1.1 About us

The Trust (formerly Walsgrave Hospitals NHS Trust) was established in 1992 under the National Health Service & Community Care Act 1990 and expanded to include the Hospital of St Cross in Rugby in 1998.

The Trust is a major teaching trust and operates from two main sites; University Hospital in Coventry and the Hospital of St Cross in Rugby, and maintains a strong focus on the provision of high quality, safe and effective patient care. We provide both emergency and elective care and specialise in cardiology, neurosurgery, stroke, joint replacements, in vitro fertilisation (IVF) and maternal health, diabetes and kidney transplants. We are also a designated MajorTrauma Centre and cancer centre.

We employ over 9,500 staff and deliver acute healthcare to the population of Coventry and Rugby, as well as more specialist services to that population and regionally. Clinical care is delivered by our clinical groups that are each led by a triumvirate comprising of a Clinical Director, Group Director of Operations and a Group Director of Nursing and Allied Healthcare Professions. Support to the groups is provided by a number of corporate services.

The University Hospital site is one of the most modern healthcare facilities in Europe with 1,100 beds and 26 operating theatres. We are equally proud of our facility in Rugby which has 130 beds and six operating theatres, including one mobile theatre.

We are very proud to be one of five NHS Trusts that are working in partnership with the Virginia Mason Institute, Seattle, to become one of the safest hospitals in the country through the adoption of the UHCWi improvement methodology.

2.1.2 Vital Statistics

	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Number of people attending an outpatient appointment	604,453	723,574	719,040	665,209	656,191	628,452
The number of people attending Accident & Emergency (A&E) including those in specialist Children's A&E*	149,842	248,614	242,577	190,549	187,792	184,979
The number of inpatients and day cases (based on admissions)	143,072	173,574	176,607	169,028	163,834	158,189
Number of births	5,552	5,701	5,882	6,174	6,217	6,332
Patients operated in theatres	24,309	40,217	43,601	42,609	42,709	42,786

Attendances to the Urgent Treatment Centre are included from 2018/19 onwards

2.1.3 Our Strategy

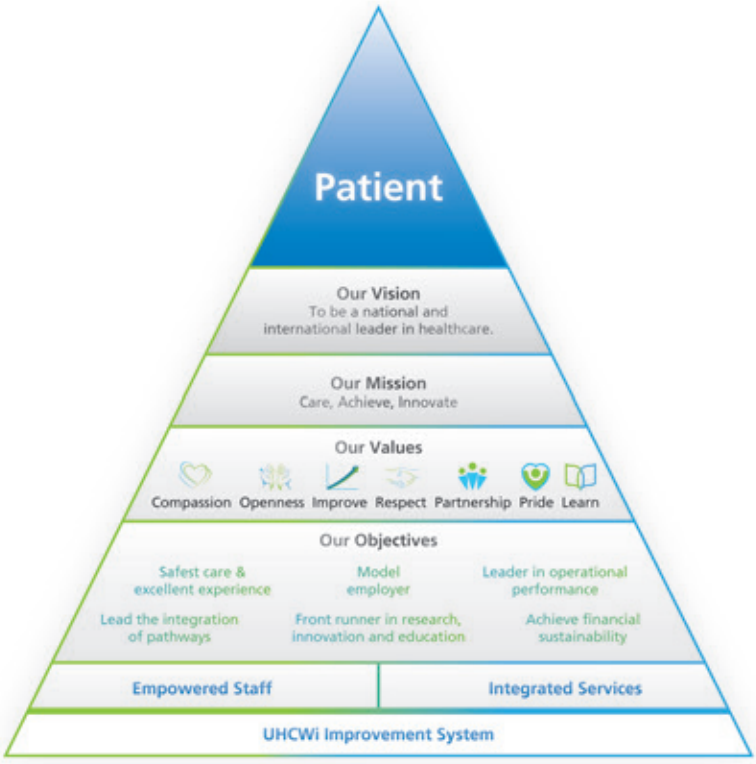
Our strategy was reviewed in 2018 and, following a number of staff engagement events, a revised Organisational Strategy for 2018-2021 was approved by our Trust Board in March 2018. Our central focus on putting patients first in everything we do remains and is reflected in our vision, mission and values which have not changed.

Our vision to become a national and international leader in healthcare remains, along with our underpinning mission to 'Care, Achieve and Innovate'. We have also retained our values which have been developed by staff to reflect the culture we want to live.

The strategic solutions in the revised strategy respond to and are consistent with the national long term plan, the local system plans and our own internal challenges. The solutions are threefold:

- Empowering our staff — particularly through implementation and spread of our improvement methodology, known as UHCWi
- Integrating our services — working with other partners to help people stay well and avoid the need for care in hospital — where care is needed, providing it in the right place, locally where possible, centrally where necessary
- Building strong foundations — delivery will be enabled through our clinical services and support functions including organisational development, workforce & innovation, research, quality, digital and mobile technology, estates and facilities and finance

Our strategy triangle, including the objectives to help show whether we are achieving our strategy, is shown below.



• Putting patients first • Empowering our staff • Delivering safer care

2.1.4 Cultural Transformation and Organisational Development

Transforming our Staff

Transformation at UHCW is at the forefront of supporting the delivery of organisational and cultural change with the intent of having positive impact on patient experience. We do this by supporting and facilitating groups, specialties, departments, teams and staff to improve, innovate and perform at their best in the delivery of their services and patient care.

The partnership with Virginia Mason Institute has continued as they coach and support us with our embedding of UHCWi as a Management & Improvement system as part of learning within an internationally recognised hospital group. The method is about engaging our staff in a behaviour and culture change and is linked to three simple but powerful and timeless aims of:

Covid-19 has presented obvious challenges to bringing staff together to look at the processes they work within and the value from a patient perspective. The method has been employed in a responsive way to the swift changes and set up required as part of UHCW's Covid-19 response as we faced enforced demands and altered modes of service delivery for patients.

As we restore, we are further embedding the use of the method into 'how we do things around here' through a specific objective within all staff appraisals and also by creating a stronger alignment in Stand Up asking that Clinical Groups present on a rolling rota aligning the work they are doing to remove waste and improve value for patients.

2.2 Performance Analysis

The Trust strives towards the provision of high quality care, whilst embracing innovation to ensure that we deliver applicable local and national targets and standards and enhance productivity. To do this, we have a Performance Management Framework embedded within the Trust, which measures and monitors our progress against these targets.

2.2.1 Performance Management Framework

Our Performance Management Framework provides assurance on the performance delivery across the Trust against the strategic objectives aligned to the Trust's Vision and Values. It provides the mechanism for effective monitoring, accountability and escalation ensuring comprehensive performance management.

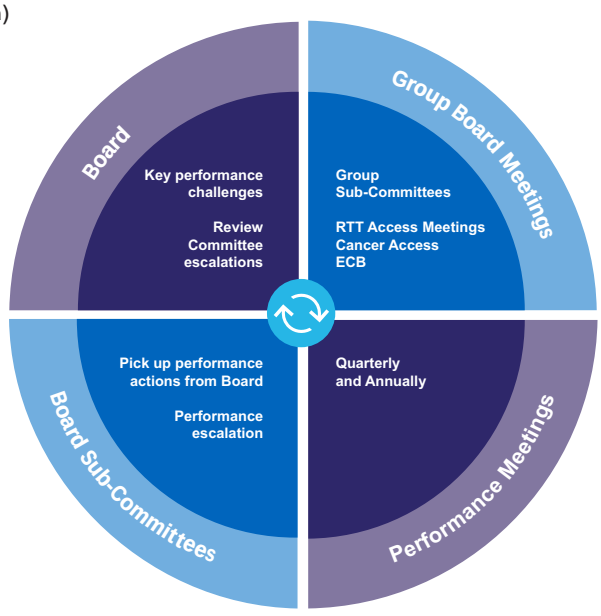
Performance management is the mechanism for the identification and implementation of data processes to effectively measure performance trends across all services and key performance indicators (KPIs) are utilised to identify service efficiencies, alongside clinical and operational performance. It provides the structure and processes for performance assessments on an annual, quarterly and monthly basis allowing a culture of performance to be embedded within the Trust. The Trust's balanced scorecard as at 31st March 2021 is shown on page 18.

The Performance Management Framework supports achievement of all of the Trust's strategic objectives which are to:

- Deliver the safest care and excellence in patient experience
- Be a model employer
- Be a leader in operational performance
- Lead the integration of care pathways for the populations we serve
- Be a front runner in research, innovation and education
- Achieve financial sustainability

This is achieved through alignment of annual goals and key performance measures which allows effective performance monitoring through key committee meetings feeding into the Trust Board through performance escalation. These metrics and performance reports are reviewed on an annual basis to ensure performance reports remain aligned to both external and local strategic priorities.

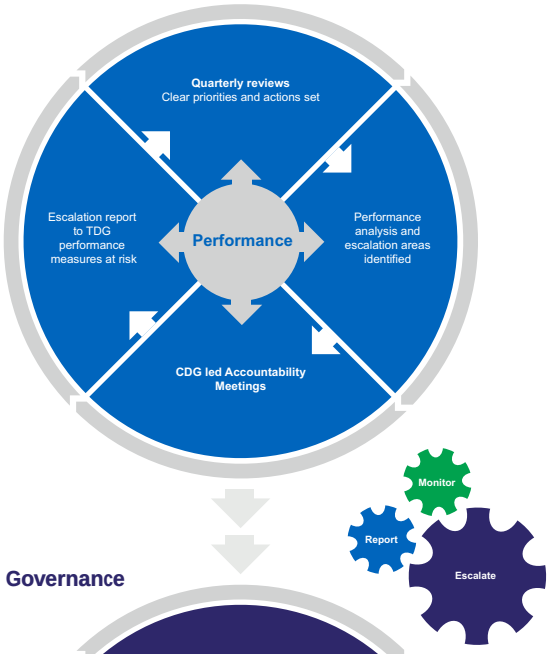
(a)



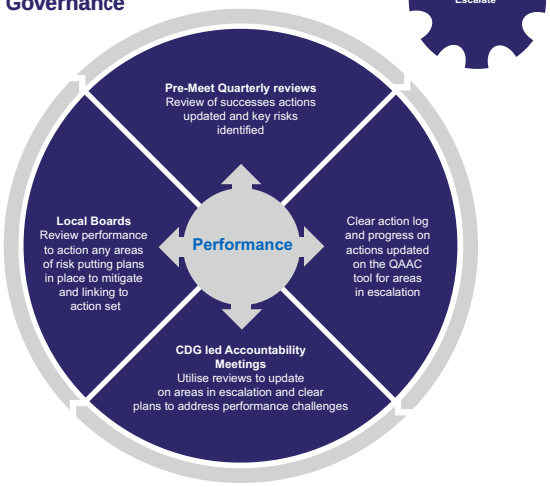
The annual performance management cycle (a) allows the Trust Board and its committees to receive assurance on the effectiveness of our Performance Management Framework whilst ensuring that the strategic vision, annual goals and objectives are aligned to each core workstream within the Trust. This is reflected through the submission of revised KPIs on an annual basis that are aligned to the (a).

It also provides an opportunity to reassess the key priorities for the forthcoming year embedding key performance principles with measureable outputs. This allows the Trust to track delivery and non-delivery providing a clear accountability pathway and escalation process through effective meeting structures, performance monitoring and targeted interventions. This aids dissemination of key priorities throughout the Trust meaning greater alignment to UHCWi methodology as engagement, accountability and transparency is clear from Board to ward.

Trust Governance



Group Governance



We also consider our performance against peer Trusts and produce regular benchmarking reports using nationally published datasets that are reviewed at relevant committees. These reports outline our position against a suite of KPIs using national averages and individual peer trusts, which allows us to identify areas where improvements can be made, and to highlight where we are performing well.

2.2.2 Performance against 2020/21 Acute Contract Targets

Our 2020/21 acute contract with Clinical Commissioning Groups required delivery against 47 standards that were agreed as part of the contract. Performance challenges, particularly relating to flow through the hospital, have continued throughout 2020/21 as detailed later in this report. Despite these challenges, the percentage of staff trained in relevant safeguarding competencies has been maintained throughout the year.

2.2.3 Counter Fraud Arrangements

Fraud, bribery and corruption can result in resources being unintentionally diverted away from their intended purpose and is one of the risks the Trust has to manage. The Trust does not tolerate this and continues to work with our Counter Fraud Specialists to identify instances where this is taking place and to impose the appropriate level of sanctions where this has been committed and to reduce the possibility of this taking place. They deliver against an approved plan covering four areas which are:

- Strategic Governance
- Inform and Involve
- Prevent and Deter
- Hold to Account

These areas are assessed against 12 requirements in the new Government Functional Standard 013 for Counter Fraud. Work undertaken by Counter Fraud includes professional investigation into cases that are raised with the Trust where possible fraud, bribery or corruption may be happening or has taken place. Regular briefings and reports are presented to the Trust's Audit and Risk Assurance Committee which includes professional guidance and advice. The Counter Fraud Specialist provides introductory information via the Trust's staff portal, TrustNav, to where all new staff are directed to ensure the counter fraud message is disseminated effectively and uses appropriate media to communicate fraud awareness.

2.2.4 Patient Experience and Engagement

The Trust is actively working towards the Patient Experience and Engagement Five Year Delivery Plan that was launched in February 2018. The plan was developed following three co-development events with patients, staff and local stakeholders. The plan follows the priorities set at the co-development events which identified five key objectives for the Trust to deliver:

Objective One	Improve the way we listen, respond and use patient feedback to support improvements.
Objective Two	Improve the way we develop and manage patient information leaflets.
Objective Three	Ensure our staff place the Trust values at the centre of care improvements.
Objective Four	Ensure that patient voice is at the centre of care improvements.
Objective Five	Improve the patient care environment.

Further details are available in the Quality Account.

2.2.5 Research and Development (R&D)

Research is core to the development of new techniques, treatments and therapies in the prevention, diagnosis and treatment of disease. It enables us to provide the highest quality and most effective patient care. It ensures that we are a leader rather than a follower within healthcare provision and enables us to attract and retain highly skilled and motivated staff. As such, one of our Trust objectives is to be a frontrunner in research, innovation and education.

Covid-19 is one the biggest public health challenges faced to date and research is at the forefront of the national response. During 2020/21, the Research and Development team implemented national guidance for the prioritisation, management and delivery of clinical trials. Following operational and capacity review, almost all research recruitment was temporarily suspended in March 2020. This enabled the Research team to focus on the delivery of nationally-mandated urgent Public Health studies, collecting data from, and providing research treatments to, our Covid-19 patients. We also up-skilled our clinical staff to support front-line clinical care duties and trained non-clinical research staff to undertake data entry for national priority studies.

To provide appropriate governance, a Covid-19 Research Committee was set up to oversee and support Covid-19 research and to provide a single point of access for new trials. UHCWi methodology, such as daily Covid-19 R&D huddles to cascade information, review staffing and capacity enabled us to ensure that Covid-19 trials were safely delivered.

Other activities included implementing guidance on the management of clinical trials to reduce the risk of infection, including minimising clinical visits and utilising remote follow-up methods where possible. To enable those patients already enrolled in research studies to continue safely, a new 'Delivery to Doorstep' protocol was implemented, enabling over 200 patients to receive their medication directly to their homes.

As well as contributing to national research projects, UHCW set up its own investigator-led early phase Covid-19 treatment trial in collaboration with a commercial partner. The Trust also developed one of the first clinical trials to investigate treatment for the long-term symptoms of Covid-19 and received £1million from the National Institute for Health Research to support it. Many UHCW staff developed Covid-19 research projects, the results of which continue to be published.

Following the second wave, our research restoration rate is faster than national average. In terms of re-starting non-Covid-19 research, we succeeded in re-opening 71% of studies that had been temporarily suspended (56/193 remain on hold) by the end of February 2021.

National Centre of Excellence for Artificial Intelligence in Pathology Established

Our 'PathLAKE' consortium is a partnership with University of Warwick, the universities of Belfast, Oxford and Nottingham and experts from NHS hospitals. The consortium has been funded via a £14 million government grant to advance the use of artificial intelligence in cancer diagnosis and is hosted by the UHCW Institute of Precision Diagnostics and Translational medicine to ensure rapid translation into clinical practice.

Together we plan to revolutionise the future of cancer care by speeding up the detection of some cancers while being more accurate, as well as paving the way for personalised care. This new Centre for Artificial Intelligence (AI) will be based at University Hospital in Coventry where digital pathology was first used to diagnose cancer and the project will focus on breast, prostate, lung and colon cancers. The funding is also being used to establish a 'Data lake' where anonymous patient data will be collected and used in research to look for patterns and trends – helping to further advance cancer care and other treatments.

This year, we secured additional funding of approximately £10 million to purchase capital equipment to roll out digital pathology to colleagues within the Midlands, securing our place as a national leader in this area. The project started in January 2021.

Patient and Public Involvement and Engagement and Participation in Research Trials

Patient and Public Involvement and Engagement (PPIE) in research was enabled by using Microsoft Teams this year. Via remote means, members of the public were able to use their own experiences and perspectives to advise researchers, ensuring the research conducted at UHCW is relevant to our patients. Members of PPRAG have advised on 26 research projects in the last year, undertaking a variety of activities, including reviewing patient facing documents, attending online focus groups, being study co-applicants and dialling into Trial Steering Groups. This year, we appointed two patient representatives to our Research & Development Strategy Committee.

2.2.6 Nurse Education

The Nursing Practice Development Team support a wide range of learners at different stages in their career, from pre-registration nursing to advanced and specialist practice level. We have a dedicated team of clinical educators who have provided extraordinary support for many learners during the pandemic.

Pre-registration

Clinical placements were paused for first year nursing and midwifery students in March 2020 in line with national recommendations, and second and third years were able to 'opt in' to paid clinical placements under the Emergency Education Standards (NMC). UHCW NHS Trust successfully deployed over 130 student nurses into clinical areas where they supported patient care but were also able to continue their studies and achieve their learning outcomes, monitored and supported by our Practice Educators. In June 2020 we re-commenced standard supernumerary placements for students, and increased our capacity by 25% in order to support the continuation of study for those that were interrupted by the pandemic. Many apprenticeship programmes were paused during the pandemic, however, Student Nursing Associates were supported to continue on their programme in order that they could qualify and register with the NMC on schedule.

Temporary register

International nurses and return to practice nurses that were placed on the NMC temporary register were supported with a bespoke education programme to aid their transition into practice. Medication refresher training and assessments were carried out as well as clinical visits to ensure that both the staff and ward managers were supported in practice. The temporary register remains open currently and a programme of training to support progression onto the permanent register is in place with education and training as well as a mock exam for international nurses.

Infection Prevention and Control team (IPC) support training

In response to the pandemic, there was a requirement to roll out a large amount of clinical information, support and education to existing clinical staff as they responded to the pandemic. The team visited clinical areas to support the work of the Infection Prevention and Control team. Daily huddles were held on the latest guidance and advice, a cascade training plan was developed with daily reporting against trajectory and included supporting Personal Protective Equipment training (PPE), FFP3 mask fit testing training and donning and doffing training.

Critical Care Training

As the need for more Critical Care capacity arose, it became apparent that some staff required to support this growth would need education and training in order to support their transition. Workshops to support effective deployment were developed based on the existing skill/experience level of our nursing staff as per national guidance (supporting staff with different levels of experience to be safely deployed). All nurses were assessed against a matrix – this identified existing level of experience and skill so we could target training at the correct level. It was not possible to train nurses to 'become ITU nurses' in a short period of time so a series of workshops tailored to their level of experience were developed as detailed below in order to support their transition into a new environment:

- Critical Care refresher training (for staff with previous critical care experience)
- Introduction to critical care (for those with a high level of transferrable skills)
- Supporting critical care workshop (an introduction/what to expect in a Critical Care)

Over 400 registered healthcare professionals received training in supporting critical care between March 2020 and January 2021.

Upskilling and refresher training

The rapid deployment of staff into critical care left behind a requirement in other areas, which in many cases was supported by staff such as clinical nurse specialists. Listening events identified some anxiety for these staff in returning to a ward base when they may have not worked in this way for some time. In order to support this we developed an RN ward refresher training plan consisting of an 'essential knowledge and skills' checklist which signposted staff in how to access any training. Staff could access a series of workshops including skills refresher sessions and returning to ward based nursing. Over 150 nursing staff have accessed refresher and update training in order to further support the needs of our ward based patients during this time. The Practice Development Team also worked with respiratory specialist teams in order to develop and roll out a specialist training programme for staff caring for patients on Continuing Positive Airway Pressure (CPAP) on our respiratory wards, as this level of care would usually have been managed in higher dependency areas.

Vaccination training

In order to support the rapid roll out of the Covid-19 vaccination programme, the Practice Education team supported the initial set up of the clinic and taught, supervised and assessed any new starters on a one to one basis. As the numbers of volunteers and staff stepping up to support the roll out grew, an education programme was developed including a competency assessment framework based on national guidance to ensure that the vaccine was managed and administered safely and effectively.

A workshop was developed enabling staff to practice in a simulated environment in each element of the assessment, vaccine preparation and administration of a 'mock' vaccine. Competency was achieved in the workshop before a team of approved assessors supervised and assessed attendees in the clinics. This programme has seen over 300 people receive training in Covid-19 vaccination at UHCW.

2.3 Performance Exceptions and Risks

Key performance indicators are described below.

Performance has seen significant change since the onset of the Covid-19 pandemic and this, together with the operational pressures that we are facing, has meant that a number of these indicators have not achieved the target.

2.3.1 A&E Four Hour Wait

In 2020/21, all Trusts nationally continued to experience significant pressures on A&E services, including our A&E departments and the statutory 95% target has not been achieved in any month this financial year. However, with lower numbers of patients attending the Emergency Department and fewer elective patients occupying beds due to the pandemic, performance in the early part of the year was consistently over 90% with the best reported performance being 94.3% in June 2020. As elective activity began to be restored following the first wave and A&E attendances increased, performance fell back towards 80%. Our overall performance against this standard in 2020/21 was 86.13% which equates to 20,673 patients out of a total of 149,077 attendances at A&E being seen outside of the four hour standard.

The Trust continued to take a number of actions during the year to improve the A&E performance including strengthening the resilience of the minors pathway to meet a local stretch target of 99% of patients admitted or discharged within four hours together with further development of both medical and surgical pathways supported by NHS ELECT to provide high quality and efficient care for our ambulant patients. The patient flow work stream which is working to reduce length of stay, improve the number of morning discharges, processes around ward/board rounds and the development of ward production boards has also continued.

2.3.2 Referral to Treatment (RTT)

The Trust has been part of the National Elective Performance Pilot, and as such is required to meet a 9.5 week average wait time. Alongside this the Trust monitors its performance against the existing 92% standard for the RTT measurement for incomplete pathways.

However, the standing down of elective procedures due to the Covid-19 pandemic to create the capacity for Covid-19 patients and to shield vulnerable patients had a significant effect on the ability of the Trust to achieve these targets, with the resulting end of year position of 54.4% and the average weeks' wait rising from 15.8 weeks at the beginning of the year to 19.7 in March 2021.

There has also been a substantial impact on the number of patients waiting more than 52 weeks for their treatment, particularly exacerbated by the second wave of the pandemic. Prior to the pandemic the Trust had no patients waiting over this milestone waiting time but unfortunately the numbers waiting rose rapidly so that 4,603 patients had a wait longer than 52 weeks at the end of March. Moving forward, the Trust is taking a number of actions to reduce this number through the national clinical prioritisation project and undertaking elective restoration to ensure patients can be seen as quickly as possible.

Patient level tracking continues and each of our Clinical Groups have clear targets that are monitored for performance.

2.3.3 Cancer 62 Day Standard

The standard states that 85% of patients will wait a maximum of 62 days for their first cancer treatment from the point of GP referral for suspected cancer.

Throughout the year, priority was given to cancer patients during the pandemic to ensure that as many patients could receive their treatment as possible. This was aided by collaborating with the independent sector to treat these patients through a green pathway. Weekly patient level tracking meetings continued to support the patients on these pathways. The year-end position was 76.9%. Despite not achieving the target, by taking these actions, performance remained in the upper 70% for most months which was a significant achievement and regularly above the national average.

2.3.4 Diagnostic Waiters – Six Weeks and Over

This standard measures the percentage of patients waiting longer than six weeks for one of 15 specific diagnostic tests. The diagnostic waiters' standard showed significant deterioration as a result of the impact of Covid-19 related changes to service delivery. The effect of the first wave led to 46.78% of patients waiting more than six weeks for their diagnostic test in April. This position was recovered over the summer to just over 8% in November, however the second wave saw a small rise in the percent of patients waiting, with a year-end position of 11.1%. Consequently, the national target of less than 1% was not achieved throughout 2020/21. Prior to the pandemic the Trust performed better than the national average and peer trusts for this performance indicator and this trend has continued throughout 2020/21.

2.3.5 Average Number of Long Length of Stay (21 days and over) Patients

The NHS has a national ambition to reduce long hospital stays. This is supported by UHCW who monitor and report weekly on numbers of long stay patients on our wards. This indicator has also been affected by the ongoing pandemic.

The target for 2020/21 is to have no more than 109 over 21 day stay patients in our bed. Despite meeting the target for the first five months of the year, for the month of March 2021 there were on average 131 long stay patients at UHCW. This is reflective of the type of patients being admitted changing as restoration of services took place.

The complex discharge team continue to work collaboratively with system partners to discharge complex cases to reduce the length of stay for patients in the emergency pathways. Operational focus has been increased for patients staying in hospital under seven days. Further work is planned to streamline flow processes throughout the wards to ensure that patients move through their pathway without delay.

2.3.6 Scorecard as at 31st March 2021

Trust Board Scorecard								
Type	Measure	Previous Position	Latest Position	DoT	Currant Target	Annual Target	Executive Lead	Trend
Safest care and excellent experience								
Infection Control								
	Healthcare associated incidents of Clostridioides difficile - Cumulative	63	68	▼			CNO	
	MRSA Bacteremia - Trust Acquired - Cumulative	0	0	▶	0	0	CNO	
Safe Care								
	Never Events - Cumulative	2.0	2.0	▶	0	0	CMO	
	Serious Incidents - Number	11	11	▲	15	15	CQO	
	HSMR - Basket of 56 Diagnosis Groups (3 months in arrears)	119.58	109.06	▲	RR	RR	CMO	
	SHMI - Quarterly (6 months in arrears)	1.11	1.10	▲	RR	RR	CMO	
	Average Number of Long Length of Stay Patients	127	131	▼	109	109	CNO	
Patient Experience								
	Friends & Family Test - Recommender Targets Achieved	3	2	▼	7	7	CQO	
	Complaints Turnaround <= 25 Days (1 month in arrears)	100%	94%	▼	90%	90%	CQO	
Leader in operational performance								
Patient Flow								
	Emergency Care 4 Hour Wait	81.3%	85.3%	▲	95%	95%	COO	
	Bed Occupancy Rate - KH03 (3 months in arrears)	87.7%	87.7%	▶	93%	93%	COO	
	Delayed Transfers as a Percentage of Admissions	N/A	N/A		3.5%	3.5%	COO	
	Breaches of the 28 Day Readmission Guarantee	13	3	▲	0	0	COO	
	Diagnostic Waiters - 6 Weeks and Over	8.81%	11.10%	▼	1%	1%	COO	
RTT								
	18 Weeks Referral to Treatment Time - Incomplete (1 month in arrears)	57.9%	54.4%	▼	92%	92%	COO	
	RTT 52 Week Waits Incomplete (1 month in arrears)	3416	4603	▼	0	0	COO	
	Last Minute Non-clinical Cancelled Operations - Elective	0.6%	0.4%	▼	0.8%	0.8%	COO	
Cancer								
	Cancer 62 Day Standard plus 31 Day Rare Cancers (1 month in arrears)	77.34%	80.95%	▲	85%	85%	COO	
	Cancer 104+ Day Waits (1 month in arrears)	6.0	2.5	▲	0	0	COO	
	National Cancer Standards Achieved (1 month in arrears)	6	5	▼	8	8	COO	
Model employer								
	Mandatory Training Compliance	92.78%	93.37%	▲	95%	95%	CWIO	
	Appraisal - Non-Medical	79.85%	81.57%	▲	90%	90%	CWIO	
	Appraisal - Medical	96.94%	98.67%	▲	90%	90%	CWIO	
	Sickness Rate	5.39%	4.54%	▲	4%	4%	CWIO	
	Staff Survey - Recommending as a Place of Work (Quarterly)	N/A	N/A		70%	70%	CWIO	
Achieve financial sustainability								
	Income & Expenditure Margin Rating						CFO	
	Forecast Income & Expenditure - £'000	1649	236	▼	-636	-636	CFO	
	WRP Delivery - £'000	3069	36832	▲	3683	3683	CFO	
Frontrunner in research innovation and education								
	Patients Recruited into NIHR Portfolio-Cumulative (2 months in arrears)	3301	4107	▲	3520	4261	CMO	
	Commercial Income Invoiced £000s - Cumulative (1 month in arrears)	552	568	▲	825	900	CFO	
	NIHR Research Capability Funding (£000s)	266	266	▶	750	1000	CMO	
	Trial Recruitment Income (£000s)	628	628	▶	1593.75	2125	CMO	
	All Grant Income (£000s)	1129	1129	▶	1500	2000	CMO	

RAG: No Target or RAG rating | Achieving or exceeding target | Slightly behind target | Not achieving target | Data not currently available | Annual Target Breached

DoT: ▲ Improving ▶ No change ▼ Falling

Target Type: National Target | Regional Target | Local Target

2.4 Forward Look: Main Trends and Factors Likely To Affect Our Future Performance

2.4.1 Overview

Although we continually strive towards realising our vision and providing the safe, high quality care that our patients deserve, we do so in an increasingly difficult environment. The NHS is currently in unprecedented times balancing priorities between pandemic emergency surges, emergency service access, cancer pathways and elective routine care. Alongside this, the financial platform has been altered to adapt to the ever changing current position; however demand for the services we provide continues and we must ensure that we continually strive to improve the quality of care that we provide.

Recruitment and retention has continued to be an area of focus and the Trust has actively manage its staffing and recruitment processes to reduce agency spend which finished well below the nationally set ceiling. The recruitment process value stream using UHCWi methodologies has targeted reducing the length of time it takes to recruit.

Despite the national challenges NHS services continue to face at the current time, it is important for us to acknowledge the achievements we have made during 2020/21 such as with our cancer pathways. Throughout 2021/22, despite being in an ever-changing situation, the use of our innovative methodology (UHCWi) and improved governance aligned to clear operational plans will assist us in improving performance continuously with high quality outcomes for our patients.

2.4.2 Managing Capacity

Understandably, the Trust has underperformed against a number of standards set out in the NHS Oversight Framework due to the ongoing pandemic.

We recognize that not meeting the A&E four hour standard or the RTT NHS Constitutional standard of patients being treated in 18 weeks falls short of the experience that the Trust would want to offer our patients however adapting the provision of services to keep patients safe during the pandemic was and remains fundamental.
We have been restoring elective services safely through the introduction of green pathways and making the most of opportunities to provide services differently by offering virtual outpatient appointments wherever possible. Embedding these ways of working will be a focus of the forthcoming year.

Volumes of Emergency Department patients fell during the first wave of the pandemic. This reduction together with fewer elective patients occupying beds reflected in an improvement in the performance of the four hour standard. However as the elective services began to be restored and the volume of patients attending the Emergency Department increased, the standard once again became a challenge.

As described earlier, our RTT incomplete percentage remains below the 92% national standard however pre Covid-19 we had delivered zero 52 week waits for 16 months showing the robust governance in place on our RTT pathways. Our focus now is to make rapid progress on delivering care safely to the significant numbers of patients who have had their treatment delayed due to the pandemic. This will be achieved through clinical prioritisation of the waiting lists and meticulous operational planning.

The adoption and expansion of the UHCWi methodology across different clinical areas is delivering good indications of improvements in both our productivity and efficiency. Throughout 2020/21 we continued to explore specific productivity opportunities across the Trust which saw UHCWi methodology being further implemented to support delivery on key outcome measures. In addition to our internal processes we continue to review demand management and delivery of care across Coventry and Warwickshire.

Throughout 2020/21 our 62 day standard has been challenged however we continue to review pathways with the Cancer Networks and our CCG colleagues to ensure we use our capacity productively specifically linked to the use of Independent Sector during Covid-19 times. We are striving to deliver care to the patients across Coventry and Warwickshire within the appropriate time by using capacity modelling and clear governance structures and escalation models.

We will continue to focus on our emergency care pathways through effective planning and governance. In doing so we have:

- Increased the numbers of slots for adult ED through the Think 111 programme to maximise the opportunity to manage flow through the front door and support patients accessing timed slots, reducing waits in ED.
- An increase in focus on zero to seven days to support out flow from the emergency floors.
- A focus on the smoothing of occupancy across the two sites to support flow throughout the emergency pathways.
- Introduced effective processes for streaming patients to the most appropriate emergency pathways
- Created clinical assessment areas outside of Emergency Department to support emergency demand throughout the pandemic
- Moved minors offsite to reduce patient footfall into University Hospital site
- Increased hot clinic utilisation through the winter period
- Effective escalation and governance around corridor care and implementation of a golden hour for wards during peaks in demand

We will continue our efforts to reduce length of stay (LOS) and improve our discharge performance through:

- Matching capacity to demand and effective winter plans embedding the learning from 2020/21 winter and Covid-19 pressures.
- Increased discharges linked to the national requirements during Covid-19
- Improved seven day service delivery and discharges
- Reducing the average LOS
- Maintaining the long of stay (LLOS) position at Covid-19 levels through effective system wide planning
- Adopting a principle to have no outliers across the Trust post Covid-19

2.4.3 Meeting Required Targets and Standards

As we have described above, our ability to meet key national targets such as the A&E four hour standard and the RTT target continue to be challenged by the ongoing pandemic and operational pressures.
We will continue to closely monitor all aspects of our performance internally through our Performance Management Framework and externally by our commissioners through contract performance meetings and more widely by NHSE/I as we strive to deliver the NHS Strategy.

2.5 Financial Performance Overview 2020/21

Statement from Susan Rollason, Chief Finance Officer

2020/21 has been an exceptional year requiring a national NHS response to the global pandemic. To ensure financial stability an emergency financial regime was mandated by NHSE/I, with the year split into two halves. In the first half of 2020/21 the Trust reclaimed Covid-19 costs on a retrospective basis, in the second a new regime was introduced with an allocated amount of funding being awarded to the Coventry and Warwickshire system. UHCW received a prospective allocation of this funding as part of the system distribution methodology.
This resulted in a £0.636 million deficit plan. This assumed the most likely impact of Covid-19.

The year concluded with a £0.237 million surplus after required adjustments for impairments and donated assets. The movement from plan was primarily driven by the loss of elective activity associated with the second wave of Covid-19, the reality of which was more severe than the most likely scenario.

No efficiency saving was required in the first half of 2020/21; however, to reach the second half year plan, waste reduction of £3.7 million of savings was transacted.

This section sets out the key features of the Trust's financial performance in 2020/21.
Throughout Covid-19 financial governance has been maintained alongside the introduction of robust reporting for Covid-19 associated expenditure.
A full set of accounts is attached including:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Taxpayers' Equity
- Statement of Cash Flows

2.5.1 Key Financial Targets

It is important to understand how performance against the financial performance target is calculated. In its Statement of Comprehensive Income, the Trust recorded a surplus for the year of £3.4 million which the Department of Health requires to be adjusted for the following:

- The impact of the impairment (or reversals of impairments) of non-current assets is excluded from the breakeven duty calculation; and
- HM Treasury guidance on the interpretation of IFRS concerning accounting for donated assets required the removal of the donated assets reserve in 2011/12, however in order to comply with HM Treasury Consolidated Budgeting Guidance, the impact of this accounting change should also be excluded from the financial performance of NHS Trusts. This can result in either a positive or negative adjustment.

The table below reconciles the position reported in the Trust's Statement of Comprehensive Income to its performance against its financial performance target:

Reconciliation of retained surplus to adjusted retained surplus	£'000
Retained surplus/(deficit) for the year	3,402
Impairments charged to revenue	236
Adjustments in respect of donated gov't grant asset reserve elimination	-2,942
Remove net impact of DHSC centrally procured inventories	-459
Adjusted retained surplus/(deficit)	**237**

The table below shows the Trust's performance against each of its key financial targets:

Duty	Target	Performance	Target Met
Achievement of the financial performance target (on its Statement of Comprehensive Income) (this requires the Trust to meet the target agreed with NHS Improvement)	**Breakeven**	**£237k surplus (after allowable adjustments)**	✔
Remain within its approved External Financing Limit (EFL) (this requires the Trust to remain within the borrowing limits set by the Department of Health)	**-£13.993 million** (this required the Trust to ensure that net borrowing plus decreases in cash balances did not exceed this sum)	**-£46.445 million** **£32.452 million undershoot** **Target achieved** (the Trust is permitted to undershoot its EFL)	✔
Remain within its approved Capital Resource Limit CRL) (this requires the Trust to keep its net capital expenditure within the limits set by the Department of Health)	**£40.677 million** (this required the Trust to spend no more than this sum after adjusting for asset disposals and the receipt of donated assets)	**£37.064 million** **£3.613 million under spend** **Target achieved** (the Trust is permitted to under spend against its CRL)	✔

2.5.2 Capital Programme – External Financing Requirement

Whilst a significant proportion of the Trust's annual capital investment requirement is covered by the lifecycle replacement programme for equipment provided under the PFI contract, there remains a significant proportion of medical equipment, ICT hardware and software and the reconfiguration or upgrading of hospital buildings that fall outside the PFI contract.

For 2020/21, the Trust's non-PFI capital investment programme exceeded the amount of internally generated funds available and therefore the Trust was reliant upon the receipt of external financing to fund the programme. A system capital envelope was issued to release capital finance 31st July 2020. The Coventry and Warwickshire system worked to prioritise schemes within the available envelope. The Trust therefore had a requirement for public dividend capital of £8.9 million, including £3.7 million of a prior year loan which NHSE/I had agreed to slip to 2020/21. In addition, the Trust was successful in bidding for £11.2 million of public dividend capital to finance a number of IT, lighting, pharmacy and Covid-19 spend. This included £3.7 million for Adult Critical Care, £3m for Emergency Department Footprint and £1.8m for Covid-19 response.

2.5.3 Improvement of the Trust's Liquidity Position

The Trust's liquidity position has greatly improved in 2020/21, a change driven by three main factors.

Firstly, NHS changed its funding regime in response to the Covid-19 global pandemic. As part of the emergency financial regime, the Trust has been funded for all costs in 2020/21 via block arrangements, thus allowing it to meet its control total without the requirement to drawdown of additional revenue support.

Secondly, the NHS's approach to historical debt has changed during 2020/21. Historic loan debt has been written off and converted to public dividend capital (PDC). For the Trust this change has meant a reduction of £113 million in DHSC loans, with an increase of £128 million of public dividend capital (PDC) in year.

Finally, the Trust's liquidity position has been hugely improved by a significant reduction in debtors of £35 million in 2020/21. This strong recovery of debtors is as of a result of targeted work undertaken by the Trust/System finance teams to reduce inter-system debt.

The Trust has continued to maintain good performance against the better payments practice code (92% of invoices by value were paid with 30 days of receipt of a valid invoice), met all of its debt servicing commitments and maintained the agreed minimum monthly cash balance of £1 million. In fact, the Trust has a significantly higher cash balance than in prior years, the balance being £54.7 million, on 31st March 2021.

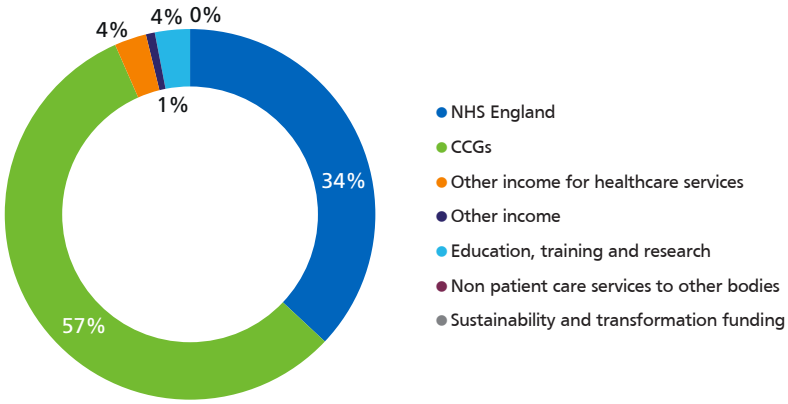
The summary headline financial information for 2020/21 (compared with 2019/20) is shown in the table below:

Key figures	2020/21 £'000	2019/20 £'000
Revenue accounts		
Operating income (turnover)	806,313	727,084
Retained surplus / (deficit) for the year	3,402	-2,153
Breakeven performance (after technical adjustments for impairments, PFI and donated assets)	237	106
Efficiencies achieved	3,0683	36,072
Assets		
Total assets	538,777	485,885
Cash and cash equivalents	54,736	2,372
Capital Investment	37,288	18,332
Borrowing		
Long term borrowing – PFI liabilities	230,410	237,188
Long term borrowing – other	8,322	3,654
Short term borrowing – PFI liabilities	6,778	9,276
Short term borrowing - other	1,285	113,706

2.5.4 Where The Trust's Income Comes From

During 2020/21 the Trust recorded total revenue of £806.3 million. This represents an increase of 10.9% when compared with total revenue of £727.1 million in 2020/21. This increase in revenue was due to the additional reimbursement for Covid-19 costs and reduction in elective activity.

The chart below shows the key sources of income for the Trust in 2020/21. The combined proportion of income from Clinical Commissioning Groups and NHS England for the provision of care and treatment to patients is 91%.



2.5.5 How Does the Trust Spend the Money it Earns?

The Trust's operating expenditure for 2020/21 totalled £771.2 million and represents a 9.8% increase over total operating expenses of £702.3 million in 2019/20. If impairments (and impairment reversals) are excluded, operating expenses for 2020/21 would be £770.9 million compared with £699.5 million in the prior year – an increase of 10.2%.

The largest cost element continues to relate to salaries and wages with the average number of people employed during the year being 8,537 whole time equivalents at a total cost of £467.0 million, which equates to 61% of total operating expenditure. During the peak pressures of the pandemic, the Trust had a deployment of student nurses and doctors to help manage the Covid-19 situation. In the prior year 2019/20, the average number of people employed was 8,405 whole time equivalents at a cost of £430.9 million.

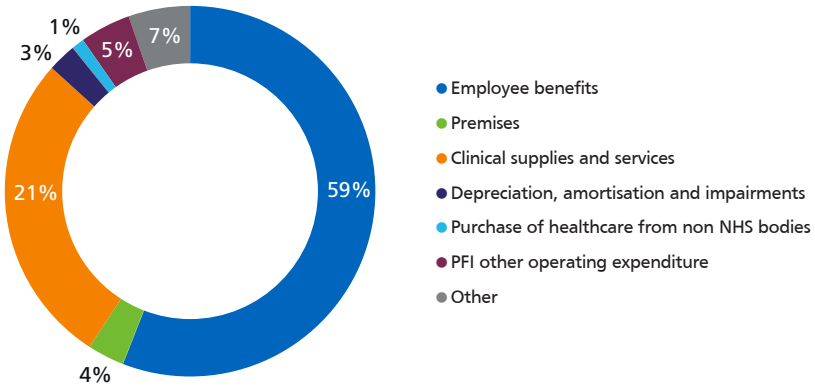
Clinical and general supplies and services (including drugs and other medical/surgical consumables) are also a significant cost element and amounted to £158.6 million which equates to approximately 21% of day-to-day operating expenses. This compares with expenditure of £146.4 million in 2019/20 and represents an increase of 8.3%. This increase in expenditure in 2020/21 can be directly attributed to the cost of centrally provided PPE to the value of £9.2 million.

The total charged in year to operating expenditure in respect of the service element of the private finance initiative was £38.7 million and continues to represent around 5% of total operating expenditure.

Charges relating to the depreciation, amortisation and impairment of property, plant and equipment and intangible assets totalled £23.6 million compared with £25.2 million in the previous year. Within this there was a movement in impairments in 2020/21 of £0.2 million.
As explained in the section on key financial targets, impairments are excluded from the assessment of the Trust's financial performance.
Other operating expenditure totalled £92.0 million in 2020/21 and included the following key items of expenditure:

- Establishment expenses £8.3 million
- Clinical negligence costs £20.0 million
- Education, training, research and development £18.2 million
- Healthcare purchased from non-NHS organisations £5.1 million
- Premises £30.1 million
- Other costs £10.4 million

The chart below compares expenditure by category – the breakdown of costs remains broadly similar to that in the previous year.



2.5.6 Other Costs

Due to the continuing low interest rates, the Trust continued to earn only very modest levels of interest on its cash balances during the past year (£0.006 million).

The Trust also incurs significant financing costs which totalled £29.6 million in 2020/21 – this represents an increase of approximately £2.1 million from the previous year. The most significant element of the Trust's finance costs is the interest paid in relation to the PFI contract which amounted to £29.5 million in 2020/21, an increase of around £1.5 million compared to the previous year. The Trust also paid interest on its loans from the Department of Health – this amounted to £0.1 million during the year.

In addition to the above costs, the Trust is also required to pay a dividend to the Department of Health and Social Care equivalent to 3.5% of the average of its opening and closing net relevant assets for the year. The dividend payable for 2020/21 was £2.7 million.

2.5.7 Capital Expenditure

The Trust is required to contain capital expenditure within its annual Capital Resource Limit (CRL) which is agreed with NHS Improvement. This limit is based upon the net internally generated funds after commitments for repayment of principal on all forms of capital borrowing (including loans and the capital element of PFI and finance lease contracts) plus any additional approved capital expenditure met from external sources (including loans, public dividend capital and leases).

The Trust's CRL for 2020/21 was £40.7 million against which the Trust recorded an outturn of £37.1 million – an underspend of £3.6 million. In addition, the Trust also benefited from £3.3 million of donated capital assets, combination of charitable funded and centrally procured items. As detailed earlier in this report, extra funding of £11.2 million was secured on key capital schemes.

Key capital investments during the year included the following:

- Equipment assets provided through the PFI lifecycle fund £6.6 million
- Building/engineering works provided under the PFI contract £2.4 million
- Medical and other equipment £12.0 million
- IT hardware/software £5.7 million; and
- Building/engineering works £13.6 million

2.5.8 Cash and Working Capital

The Trust's cash balance at the year-end was £54.7 million which compares with £2.4 million at the end of the previous year. In achieving this position the Trust prepaid tax and national insurance by £9.3 million.

The Trust's management of its cash balances, loans and Public Dividend Capital (PDC) during the year ensured that the statutory duty to remain within its External Financing Limit (EFL), which had been set at -£13.993 million was met. The Trust's outturn against its EFL was £46.445 million which meant that the Trust recorded an underspend of £32.452 million. The EFL is an indicator of how much external financing the Trust needs. A trust is allowed to undershoot, but not exceed its EFL.

2.5.9 Paying Suppliers on Time

In addition to its key financial duties, the Trust is also required to comply with the better payment practice code. This requires the Trust to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust's performance against this target is summarised below:

Better payment practice code	2020/21		2019/20		2018/19	
	Number	£'000	Number	£'000	Number	£'000
Total non-NHS trade invoices paid in year	108,852	441,754	114,993	419,534	122,100	393,001
Total non-NHS trade invoices paid within target	99,209	407,663	103,497	388,740	112,488	360,505
% of non-NHS trade invoices paid within target	91%	92%	90%	93%	92%	92%
Total NHS trade invoices paid in year	4,001	130,833	4,135	107,181	4,708	114,212
Total NHS trade invoices paid within target	2,429	117,841	1,771	92,786	3,010	107,457
% of NHS trade invoices paid within target	61%	90%	43%	87%	64%	94%
% of all invoices paid within target	90%	92%	88%	91%	91%	92%

The Trust's performance is consistent with the previous financial year both in volume and value terms. The volume of invoices processed has remained broadly consistent between years.

2.5.10 Financial Outlook

The emergency financial regime for Covid-19 continues into 2021/22 for the first six months. The financial framework we will operate under for the second six months is yet to be finalised, but there is certain to be a clear focus on the restoration of services. The operational landscape continues to be very challenging with losses in productivity due to infection prevention and control measures, reset in referral levels and significant elective backlogs. It is also unclear if there will be a resurgence in Covid-19 over the winter months, with some additional costs likely to be incurred to ensure preparedness for this eventuality.

We are now turning our attention to positive transformations emerging from the crisis and are looking at how these may improve our forward financial outlook.

2.5.11 Conclusion

We delivered a small surplus to our control total. This demonstrates an appropriate balance in financial control and full deployment of resource to manage the crisis.

The forward look for the Trust will no doubt be challenging, and along with the wider NHS we will face some uncertain times as we move through 2021/22. As we start to reshape the new business as usual I am confident that the Trust will continue to build upon the lessons learned through Covid-19, and the benefit of a single waste reduction programme to encompass improvements in quality, performance and efficiency. We will work closely within the Coventry and Warwickshire system to optimise opportunities to ensure financial sustainability for the future.

2.5.12 Financial Accounts

The full set of accounts is included within this report.

The accounts have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) and the Trust's accounting policies. Their preparation has been guided by the Department for Health and Social Care Group Accounting Manual.

2.6 Accounting Policies

The Trust's accounting policies are in accordance with directors provided by the Secretary of State for Health and follow International Reporting Standards and HM Treasury's Government Financial Reporting Manual to the extent that they are meaningful and appropriate to the NHS.

2.6.1 Statement of the Chief Executive's Responsibility as the Accountable Officer

The Statement of the Chief Executive's responsibility as the Accountable Officer of the Trust is printed in full in the 2020/21 Annual Accounts.

2.6.2 Statement of Accounting Officer's Responsibility

The Statement of the Accounting Officer's responsibility is printed in full in the 2020/21 Annual Report and Accounts.

2.6.3 Annual Governance Statement

The Annual Governance Statement is printed in full in the 2020/21 Annual Report and Accounts and can be found at page 37.

2.6.4 Disclosure of Information to Auditors

The directors confirm that as far as they are aware there is no relevant audit information of which the NHS body's auditors are unaware and they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS body's auditors are aware of that information.

2.6.5 External Auditor

Under the Local Audit and Accountability Act 2014, the Trust was required to appoint its own external auditor for the financial year 2017/18 onwards. Accordingly, the Trust undertook a competitive procurement exercise during 2016 and at this meeting in December 2016; the Trust Board approved the re-appointment of KPMG LLP as the Trust's external auditor.

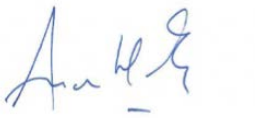
The auditors perform their work in accordance with the National Audit Office Code of Audit Practice and their work compromises two key elements:

- Providing an opinion on the Trust's financial statements. This considers whether the financial statements give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question; and whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction; and
- To satisfy themselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ending 31 March 2020.

2.6.6 Auditors' Opinion

Audit opinion is supplied by KPMG LLP and is included within the Financial Statements.

Signed



Chief Executive Officer, 10th June 2021

Part 3 Sustainability Report

3.1 Sustainability Leadership and Engagement

3.1.1 Introduction by Nina Morgan - Executive Lead for Sustainability

This has been an unusual and challenging year in many ways with the main focus on the pandemic. Alongside this has been another year of sustainable improvement for UHCW, working towards the goals within the Trust's Green Plan including key work in waste management, energy efficiency and active sustainable travel improving environmental, social and economic outcomes, linking with key Trust objectives:

Deliver the safest care and excellence in patient experience

- Developing low carbon patient pathways and adapting services to consider climate change

Be a front runner in research, innovation and education

- Developing new ways to educate staff and visitors about the Trust sustainability vision using cutting edge education techniques and innovation

Achieve financial sustainability

- Ensuring that sustainable development for the Trust delivers efficient buildings and facilities that minimise resource and maximise value for money.

Works are complete on three energy saving schemes::

- Combined Heat and Power at University Hospital, providing low cost electricity and improving resilience
- The lighting at the Hospital of St Cross has been replaced with LED
- The Building Management System at the Hospital of St Cross is being replaced with a newer more efficient system.

All these projects will reduce energy; cost and CO_{2e} helping the Trust achieve financial sustainability, whilst reducing our impact on the environment. UHCW will continue to use innovative ideas to provide a sustainable healthcare fit for the future.

Professor Nina Morgan
Chief Nursing Officer
Executive Lead for Sustainability

3.2 Corporate Approach

3.2.1 Developing Sustainably

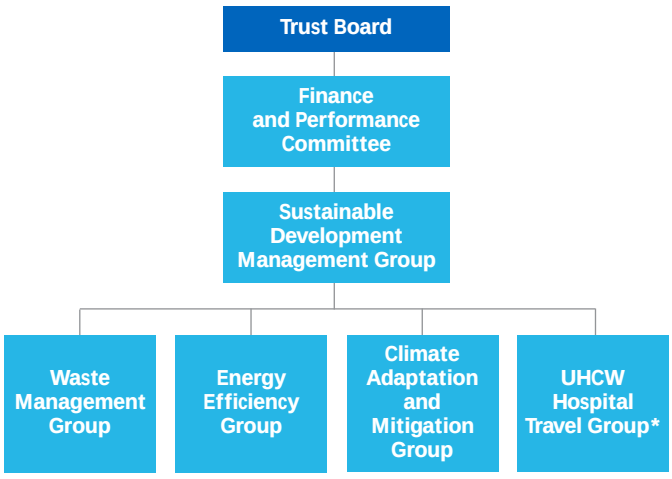
2020/2021 saw the launch of a Net Zero NHS and the programme for a Greener NHS; both working towards a carbon zero NHS. The Trust has followed this new agenda starting with the creation a Green Plan; setting SMART targets for carbon reduction. The Trust has adopted the new national targets for reduction in our carbon footprint (on emissions we directly control) being net zero by 2040 and having an 80% reduction in CO_2 emissions by 2028 and for (emissions we can influence) our carbon footprint plus net zero by 2045 and 80% reduction by 2036-2039.

The Green Plan is reviewed annually and regularly monitored by the Sustainable Development Management Group, which in turn is monitored by the Trust Board. There are mechanisms in place to ensure that the objectives of the Green Plan are on target and reviewed to ensure they are still relevant. There are a number of specialist groups that meet regularly to consider key agendas and an overarching Sustainable Development Management Group to oversee them and report up to the Trust Board on the progress of the work. The Trust commitment to sustainability is led by Nina Morgan, Chief Nursing Officer, who is the executive corporate lead and Clive Robinson, Sustainable Development Manager is the operational lead. The graphical representation of the Trust sustainability gives a snapshot of vision and Trust thinking.

3.2.2 Sustainability Mission Statement

UHCW is committed to a sustainable future through responsible stewardship of a business that offers best value healthcare through environmental connectedness.

Sustainability Organogram - Sustainability reporting within UHCW

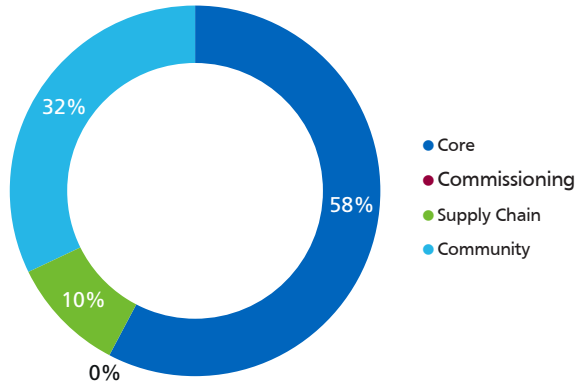


*This group is a partnership group consisting of UHCW, Bus Operators, Councils, Cycle Groups, and the Regional Transport Authorities

3.3 Carbon Footprint

Within the Green Plan are the carbon reduction targets for the Trust, with much work being done to ensure the data behind that calculation is checked and cleansed to improve the accuracy of reporting. The Trust has aligned with the national targets and aims to reduce carbon against a 2007 baseline:

- 2020-34% reduction
- 2028-80% reduction
- 2040-Carbon Zero



Core	Water and sanitation
	Waste products and recycling
	Business mileage grey fleet
	Fleet pool/cars
	Business mileage public transport
	Fuels fossil and non-fossil
	Electricity
	Anaesthetic gas-other
	Anaesthetic gas Nitrous Oxide and mixes
	Other-Core
Commissioning	Commissioned Health and Social Care Services
Community	Patient and visitor travel
	Staff commuting
	Other community

Supply Chain	Pharmaceuticals
	Paper products
	Other procurement
	Other manufactured products
	Medical equipment/instruments
	Manufactured fuels, chemicals and gases
	Information and communication technologies
	Freight transport
	Food and catering
	Business services
	Capital spend construction

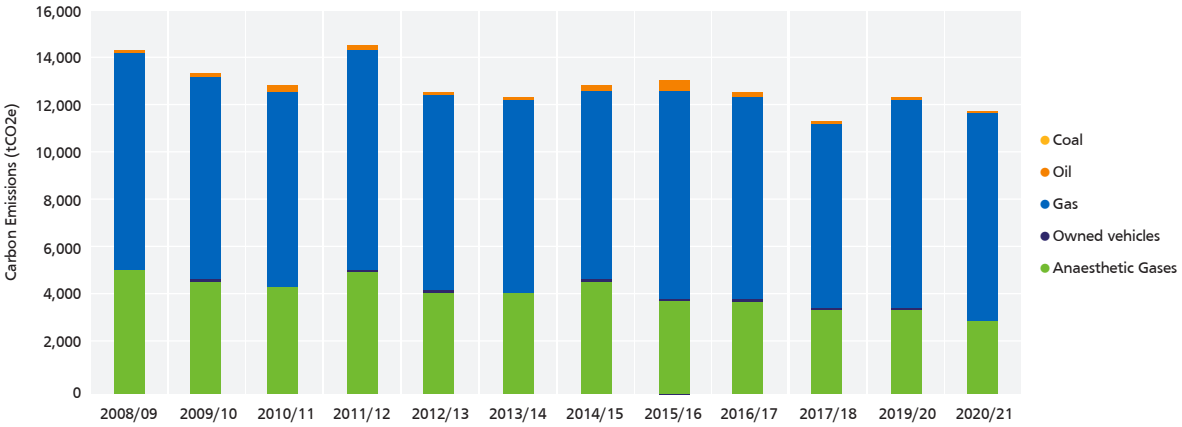
There are significant ongoing works to enable the targets to be met in the face of ever increasing patient activity. There are a number of retrospective works to improve energy efficiency, reduce cost and CO_2 emissions. There are also procedures in place to ensure new works; refurbishment and new builds are future fit energy efficient with low CO_2. The Trust carbon footprint has been divided into key production areas; as shown in the following graphs and associated tables.

3.3.1 Commentary on Carbon Footprint

The carbon footprint for 2020/2021 shows a reduction in the community mainly due to decrease in travel for both staff and patients during the Covid-19 lockdowns, including the increase in virtual meeting markedly decreasing staff travel. There is also a slight reduction in supply chain again due to reduced activity during Covid-19 lockdowns. The largest area is still core activity and carbon reduction work will be focused on this area in 2021/2022, the key areas will be electricity reduction, business mileage and fleet management, alongside a refresh of the waste management systems following lessons learnt from Covid-19.

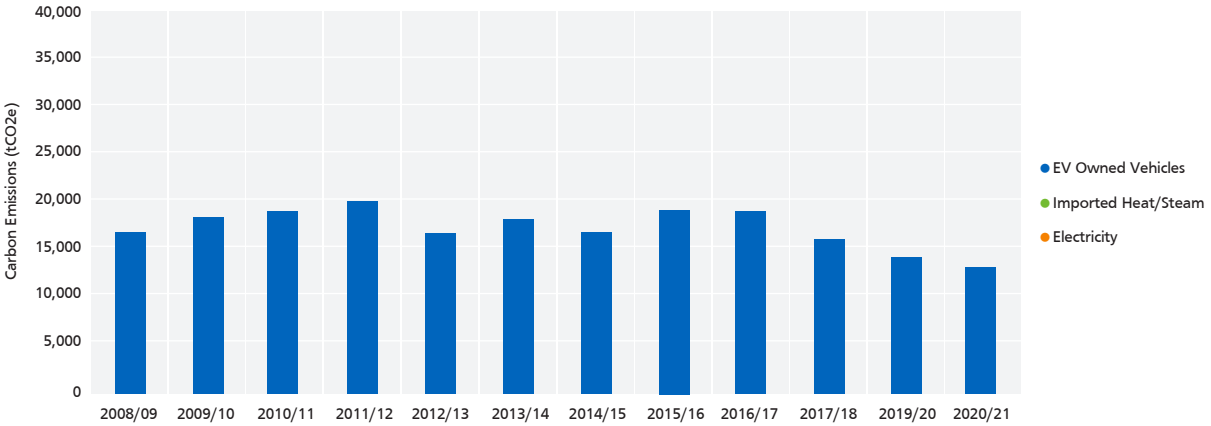
Graphs Showing Carbon Emissions by Scope

Scope 1 Emissions



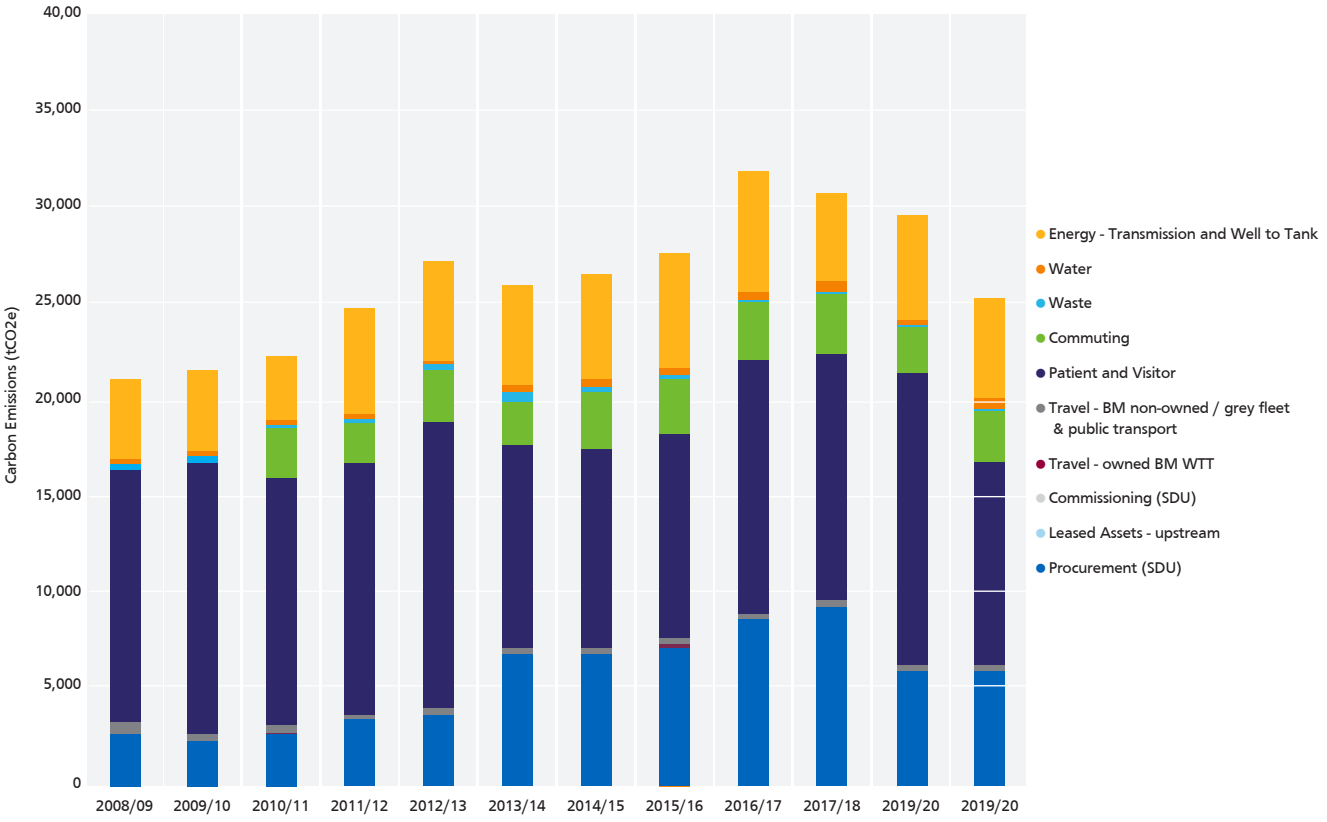
Scope 1 – All Direct Emissions from Trust activities or under their control. This includes fuel combustion on site, from owned vehicles and fugitive emissions. Examples include fleet vehicles, gas emissions from boilers and air-conditioning refrigerant leaks.

Scope 2 Emissions



Scope 2 – Indirect Emissions from electricity purchased and used by the Trust. Emissions will be created during the production of the energy and eventually used by the organisation. Examples include electricity from energy supplier to power computers, heating and cooling.

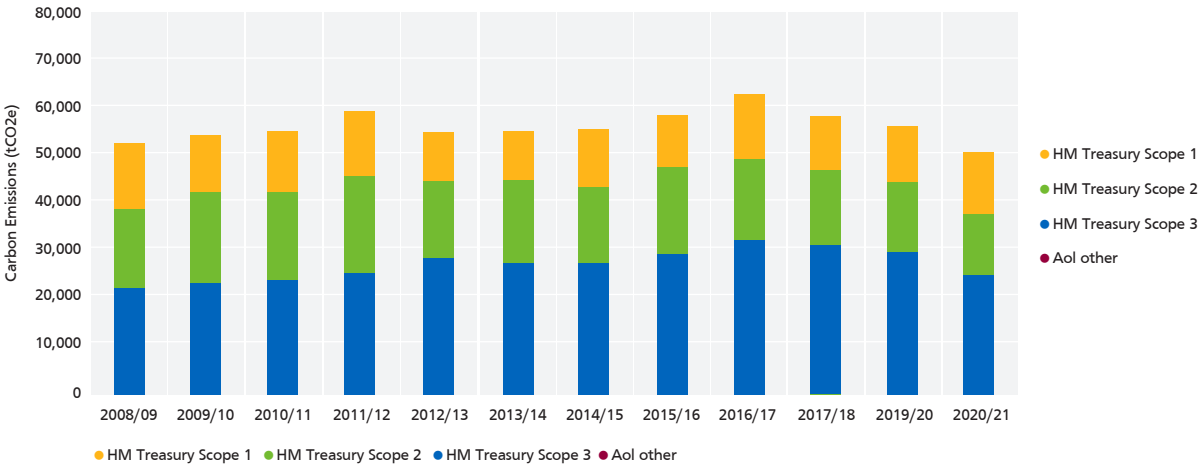
Scope 3 Emissions



Scope 3 – All Other Indirect Emissions come from activities of the Trust, but occur from sources that they do not own or control. This is usually the largest share of the carbon footprint, covering emissions associated with business travel, procurement, waste and water. Examples include plane travel, shipping of goods and waste disposal.

3.3.2 Treasury Format Yearly Carbon Figures

HM Treasury Scope Aggregations



The combined yearly CO2e emission figures show a fall from previous years; this is partly due to energy saving measures put in place and the unusual reduction in travel due to Covid-19 lockdowns.

3.3.3 Commentary on Carbon Emissions

This has been an unusual year and the data will be slightly skewed because of Covid-19 changes, some such as travel have seen marked reduction in emissions. The Trust has realigned its sustainability planning in line with the national Greener NHS and Net Zero programmes; the Green Plan has been produced and emissions reduction in 2021 has started.

Scope 1 – The CO2 emissions in scope 1 are reduced slightly mostly due to reductions in travel due to Covid-19 restrictions. One of the focus areas for 2021/2022 is reducing fleet travel evaluating electrification of the existing fleet. Work with clinical partners is reviewing the potential to reduce emissions from anaesthetic gases.

Scope 2 – The scope 2 emissions are slightly lower, mainly due to energy saving works to reduce electricity costs across both sites. At the Hospital of St Cross, replacement of all lighting with LED and replacement of the old Building Management System, alongside a continued double glazing programme have combined to reduce emissions. At University Hospital, a Combined Heat and Power Engine started generating electricity that will show in 2021/2022 annual reporting.

Scope 3 – There is a significant drop in scope 3 emissions. This is due to reduction in travel by patients and visitors because of Covid-19 restrictions. Staff commuting has also been reduced with an increase in those able to work from home and reduced travel for meetings in favour of virtual interaction.

For the start of 2021/2022 the Trust has switched to 100% green electricity tariff reducing its carbon footprint still further.

3.3.4 Staff Engagement in Sustainability

The last year has been challenging in terms of staff engagement because of Covid-19 and social distancing. However several staff engagement events focussed on key issues to promote areas of sustainability, such as travel. Staffs support events Dr Bike offering free cycle maintenance for staff.

Employment practices and health and wellbeing are a significant part of the sustainability agenda and there are specialists within Human Resources to work on this area and the details can be found in the Human Resources section of the Annual Report.

3.3.5 Healthy Food

Our current soft services providers ISS, who manage catering on both sites, have looked to the sustainable path alongside health and wellbeing to deliver healthier options in their outlets. Since the start of 2017 all restaurants and coffee shops on the Trust site that are managed by ISS are CQUIN compliant. They do not promote any food high in fats, sugars or salts and healthier options are always promoted before unhealthier options.

3.3.6 Energy Use

Amounts of Thermal Energy Usage

Resource		2015/16	2016/17	2017/18	2019/20	2020/221
Gas	Use (kWh)	47,106,892	49,197,476	36,318,170	47,605,277	46,319,028
	tCO2e	9,883	10,296	7,590	10,093	9,820
Oil	Use (kWh)	410,728	455,697	196,152	264,848	65,088
	tCO2e	131	146	62	87	21
Coal	Use (kWh)	0	0	0	0	0
	tCO2e	0	0	0	0	0
Electricity	Use (kWh)	37,505,217	39,632,150	40,182,270	38,978,944	38,193,617
	tCO2e	23,228	22,785	20,766	17,374	17,024
Green Electricity	Use (kWh)	0	0	0	0	0
	tCO2e	0	0	0	0	0
Total Energy CO2e		33,243	33,227	28,418	27,553	26,865
Total Energy Spend		£4,663,532	£4,881,749	£4,696,330	£5,631,232	£5,877,884

3.3.7 Commentary on Energy Usage

Energy usage for the reporting year has remained constant, with a minor downward trend due to energy saving measures introduced during 2020 at the Hospital of St Cross, where the Building Management System (BMS) has been replaced with a projected annual save of 450,504 kWh, the internal lighting has been replaced with LED, reducing electricity demand by 1,000,337kWh, both projects completed in 2020/2021. Completed in 2020/2021 with savings showing in 2021/2022 reporting period is a Combined Heat and Power plant (CHP) at University Hospital Operational 2021 providing an annual reduction of 16,021,457 kWh.

There is a programme of works to continually reduce energy consumption across both sites.

3.3.8 Travel Mileage and Carbon Emissions

Category	Mode	2015/16	2016/17	2017/18	2019/20	2020/2021
Patient and visitor own travel	miles	31,316,714	39,240,512	39,240,512	43,856,783	31,117,773
	tCO2e	11,506.68	14,190.77	14,181.93	15,627.26	11,088.04
Staff commute	miles	6,693,583	6,755,830	6,753,141	7,468,801	8,421,243
	tCO2e	2,459.42	2,443.15	2,440.66	2,661.32	3,000.70
Business travel and fleet	miles	1,002,188	815,151	821,613	868,347	782,667
	tCO2e	368.23	294.79	318.52	308.87	278.33
Active & public transport	miles	0	0	0	0	0
	tCO2e	0.00	0.00	0.00	0.00	0.00
Owned electric and PHEV mileage	miles	0	0	0	0	0
	tCO2e	0.00	0.00	0.00	0.00	0.00
Total cost of business travel	**£**	**0.00**	**1,356,929.00**	**1,356,929.00**	**122,567.00**	**169,911.00**

3.3.9 Commentary on Travel

The data for 2020/2021 is unusual because of the impact of Covid-19, especially on patient and visitor activity, this year has been difficult from a public transport perspective as there has been concerns over travel safety during Covid-19. However all of the Hospital bus services have continued to run with the support of our partners, bus operators and local councils. A reliable bus service has been maintained throughout the year and additional services put in place where there were too many customers to support social distancing.

There has been an anecdotal increase in cycling and walking, a number of free cycle maintenance sessions were held to support staff cycling to work. It was not appropriate to carry out a travel survey during pressures of the last year and it is hoped to capture travel data later in the year.

Table shows four year comparison of staff commute by modes of transport

Travel Mode	2010	2013	2015	2019	% Change
Solo Driver	75.1%	54%	42%	47%	-28.1%
Car Share	1%	10%	12%	9%	+8%
Bus	13%	17%	18%	25%	+12%
Rail	0.5%	1%	1%	1%	+0.5%
Cycle	7%	5%	9%	6%	-1%
Walk	7%	10%	12%	7%	0%
Park and Ride	0%	0%	1%	-	+1%
Park and Cycle	0%	0%	1%	-	+1%
Other	0%	2%	5%	4%	+4%
Motorcycle	-	-	-	1%	+1%

3.4 Waste Management in 2019/2020

Yearly Waste Figures by Disposal Route

Waste		2016/17	2017/18	2018/19	2019/2020	2020/2021
Recycling	(tonnes)	1904.45	2186.61	1816.57	1274.00	1454.00
	tCO_2e	39.99	43.73	38.15	27.72	31.64
Other recovery	(tonnes)	2669.41	1496.00	1509.09	1817.00	1611.00
	tCO_2e	56.06	29.92	31.69	39.54	35.06
High temp disposal	(tonnes)	0.00	0.00	0.00	0.00	0.00
	tCO_2e	0.00	0.00	0.00	0.00	0.00
Landfill	(tonnes)	0.00	0.00	0.00	0.00	0.00
	tCO_2e	0.00	0.00	0.00	0.00	0.00
Total Waste (tonnes)		4573.86	3682.61	3325.66	3091.00	3065.00
% Recycled or Re-used		42%	59%	55%	41%	47%
Total Waste tCO_2e		**96.05**	**73.65**	**69.84**	**67.26**	**66.69**

3.4.1 Commentary on Waste

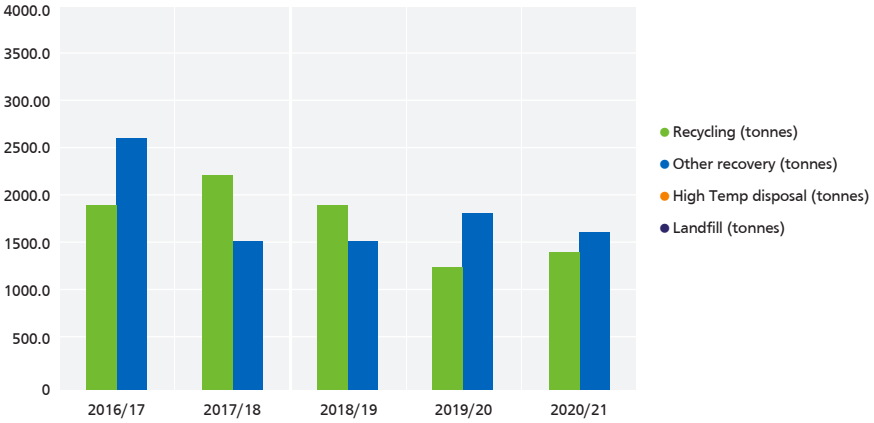
Waste is a key element of the Trust Green Plan, to reduce waste and ensure the best possible means of treating that waste. The table above shows that the Trust continues to have zero waste to landfill. This has been an unusual year in waste management; Covid-19 has skewed this year's figure as there has been an increase in infectious waste and reduction in other streams.

The Trust has implemented a new waste management system following lessons learnt from Covid-19 replacing all bins at the Hospital of St Cross with white bins therefore the label and the bag determine the waste contents not the colour of the bin. Equally permanent labels will no longer be used as a reactive response to Covid-19 demonstrated that waste bins needed to be changed from waste stream to another, therefore double sided magnetic labels allowing rapid change from non-infectious to infectious waste streams has been introduced.

A new bespoke store for Sharpsmart containers has been built at University Hospital as part of improvement works to improve flows and segregation within the main waste compound. There have been bespoke buildings added for confidential waste and waste chemical storage, these are all part of the drive to improve waste segregation and reduce CO_2 emissions.

The graph below shows waste by disposal type.

Waste Breakdown



3.4.2 Water Usage

Water		2015/16	2016/17	2017/18	2019/20	2020/2021
Mains Water	m3	250,311	296,423	346,011	343,416	356,846
	tCO2e	228	270	315	313	325
Water & Sewage Spend		£579,068	£579,068	£650,067	£672,351	£785,419

3.4.3 Commentary on Water Usage

Water has remained in line with predicted trends, a significant amount of work has been done at the Hospital of St Cross to improve water infrastructure within the site and plant rooms. It is expected that these improvements will show reductions in usage in 2021/2022, with improved leak detection also reducing water loss.

3.5 Procurement 2020/21

Due to pressures of the pandemic there has been no work on the procurement streams during this period; however this is an area of focus for 2021/2022.

3.6 Towards 2021/22

The Trust is launching its Green Plan in 2021 and the effects of that will really be noticed in 2021/2022. The plan has targets in the main areas of sustainability using the Hospital of St Cross as its catalyst for works across the Trust. The Hospital of St Cross has progressed in the last year having many carbon reduction improvements. Replacement of lighting with LED had additional benefits with a number of light fittings being fitted with intelligent sensors to create a Bluetooth mesh which will make the hospital building intelligent and has tremendous possibilities for efficiency savings. Key areas in the trial are energy usage, temperature, room occupancy and equipment tracking, being able to know within 10cm the location of any tagged object. Part of the trial in 2021/2022 is to refine the data being produced to deliver real efficiencies in the workplace and in carbon reduction. There will be continued work on the waste infrastructure following Covid-19 with improvement to a percentage of waste holds allowing greater segregation.

There are continued energy saving initiatives at the Hospital of St Cross with a site wide review of energy saving options to further support the green plan.

3.6.1 Adaptation to Climate Change

The Trust has emergency/resilience plans to deal with severe weather events, this work is led by the Head of Emergency Planning and Operations. The Trust has a Climate Adaptation and Mitigation Group which is responsible for the risk assessment and development and implementation of the action plan.

3.6.2 Sustainable Care Models

This is covered in other areas of the annual report by the relevant clinical teams.

3.6.3 Biodiversity and Green Space

The Trust has developed many natural spaces for staff, patients and the community to enjoy. These spaces have improved the biodiversity of the sites and helped endangered species.

In the last year the Trust improved outdoor space at the Hospital of St Cross for staff to relax in an outdoor green environment to improve health and wellbeing.

Towards the future, the Trust has aspirations to develop existing green space and create new green spaces to further engage with staff, visitors, patients and the community. To improve health and wellbeing both physically and mentally, integrating art and physical activity into the spaces, both sites have outdoor gyms which are popular with staff and visitors.

Part 4 Accountability Report

4.1 Corporate Governance Report

It is the responsibility of the Directors of the Trust to prepare the Annual Report and Accounts. The Trust Board considers that the Annual Report and Accounts taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

4.1.1 Directors report

Disclosure of Information to Auditors

The directors confirm that as far as they are aware there is no relevant audit information of which the NHS body's auditors are unaware and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS body's auditors are aware of that information

Members of the Trust Board

In accordance with our NHS Establishment Order, as of 31 March 2021, the Board comprised;

- A non-executive chair (voting)
- A chief executive officer (voting)
- Six non-executive directors (voting)
- Four chief officers (voting)

In addition, the Board also includes;

- One associate non-executive director (non-voting)
- Three chief officers (non-voting)

Details of the membership of the Board can be found in the Annual Governance Statement starting on page 37.

Register of Interests

Details of the register of interests can be found in the Annual Governance Statement starting on page 37.

Trust Board and Board Committees

Detail of the Trust and Board and its committees can be found in the Annual Governance Statement starting on page 37.

External Auditor Remuneration

KPMG LLP is the Trust's appointed external auditor.

The total external audit fees/remuneration recorded in the accounts for 2021/22 is £135,735 excluding VAT, comprising £22,485 additional fee for 2019/20 audit and £113,250 for 2020/21.

Disclosers

Equality and Diversity

Relevant disclosures regarding disabled employees and equal opportunities and also in relation to how we inform and engage with our staff are included within the Staff Report section of this document.

Employee Consultation

Commentary on how we consult with our staff is included within the Staff Report.

Sickness Absence Data

Information on sickness absence is included within the Staff Report.

Cost of Information

We comply with HM Treasury Guidance on setting charges for information. We do not generally make any charge for information requested under the Freedom of Information Act and will generally provide information in hard copy or media e.g. a CD without cost. There is however, provision within the legislation for us to refuse a request if the cost of providing the information is in excess of £450 or the equivalent in staff time that would be needed to retrieve and collate it. For further information please see our website: **http://www.uhcw.nhs.uk/about-us/freedom-of-information-act**

4.1.2 Emergency Preparedness, Resilience and Response

The Civil Contingencies Act 2004 and associated statutory regulations and guidance requires UHCW to produce and maintain comprehensive plans that ensure we will continue provide critical functions, as far as reasonably practical and to a predetermined level, during an emergency.

The Trust must demonstrate that it can effectively respond to emergencies and business continuity incidents while maintaining services to patients. This work is referred to in the NHS as "Emergency Preparedness, Resilience and Response" (EPRR).

For the NHS, incidents/emergencies are classed as either:

- Business Continuity Incident
- Critical Incident
- Major Incident

One of our core capabilities and responsibilities is to respond to critical and major incidents. These incidents may originate from either an external or internal source. In any event, essential services must continue. The Trust has Major Incident and Business Continuity Plans in place.

The outbreak of Coronavirus (Covid-19) in December 2019, has repeatedly tested our preparedness and response at UHCW. This has required UHCW along with other NHS organisations to work in new situations to mitigate the impact, and ensure our critical services continue to run and operate to acceptable levels, but has meant some EPRR activities have had to be paused such as training, and exercising.

Training Staff

Training is carried out to ensure staff can discharge their role and responsibilities during an incident. UHCW delivers a formal training programme (Arden Group NHS Commanders Training) for on call managers and executives in partnership with Coventry & Warwickshire NHS Trusts and local CCG. This training is mapped to the required national occupational standards for incident management. Participants from all local trusts and the CCG are due to reconvene in these collaborative learning events and exercises, working together just as they would during a live incident. UHCW specific in-house incident management training however continues to be delivered to ensure the incident team has the knowledge and confidence to deal with the specific response required from UHCW.

Other internal incident management training continues to be provided in-house to clinical groups, and our partners being supplemented by exercises, to test plans and procedures thus ensuring services can effectively operate when required under these emergency conditions.

Due to the ongoing Covid-19 response multiagency exercises have also been paused, but are hoped to restart at the earliest opportunity in order to test the resilience of our response procedures, such as mass casualty, chemical, biological, radiological and nuclear (CBRN), and business continuity incidents.

Responding to Major Incidents and our Covid-19 Response

During 2020/21, there were no activations of the Major Incident Plan. However, in response to increasing coronavirus infections UHCW, along with all other NHS organisations, returned to the highest level of emergency preparedness (Incident Level 4) in November 2020. The UHCW Incident Co-ordination Centre has remained fully staffed 24/7 to support the response to the Covid-19 pandemic.

Incident command structures and working groups were put in place in January 2020. These structures have successfully coordinated the Trust wide Covid-19 response and ensured that UHCW was fully aligned to national guidance.

Responding to the pandemic so far has been a tremendous collective effort by our staff, working closely with our partners in the wider healthcare world in the most challenging of circumstances. We are enormously grateful to them for their dedication, commitment and enthusiasm. We also understand that the coronavirus has taken a personal toll on everyone in different ways.

Covid-19 has been an important component of learning for EPRR at UHCW. Furthermore, it has highlighted learning not just for UHCW but the NHS as a whole. Responding to Covid-19 and maintaining the required output was, and continues to be, an ongoing challenge. Therefore, lessons identified will continually be shared and acted upon. It is vital that EPRR utilises this learning for future pandemics and any other potential emergencies where these principles can be applied.

Continuous Improvement

During the past 12 months UHCW was rated 'fully compliant' against the NHS England Core Standards for EPRR. After successfully completing an improvement plan over the last 12 months this which is an exceptional achievement especially during Covid-19 pandemic.

Summary

UHCW continues to deliver against the requirements of the CCA (2004) and the NHS EPRR Framework, and is reflected in the work achieved and declaring as being fully compliant. The work generated from Core Standards Self-Assessment along with learning created through Covid-19 and other incidents ensures that UHCW meets regional and national plans, guidance and best practice.

4.1.3 CQC Registration

The Trust is registered with the CQC to provide nine regulated activities on our two sites and we have maintained registration throughout 2020/2021 without any compliance conditions being imposed. In 2020 the Trust notified the CQC of activity taking place at local Independent Sector providers as part of the Covid-19 response.

The Chief Nursing Officer is the CQC nominated responsible person for the services.

In order to maintain registration, the Trust is required to demonstrate compliance with the CQC's Fundamental Standards of Quality and Safety. CQC assesses compliance with the standards through the review of various types of intelligence, for example feedback from the public, data and inspections.

The CQC continues to make unannounced responsive inspections where they have concerns about quality or safety and thematic reviews to evaluate the quality of a care pathway or a specific area of service provision. They also have comprehensive inspection frameworks and quality assurance programmes for high risk areas such as Urgent Care or Infection Prevention.

The Trust continues to engage with the CQC through provider engagement opportunities, including frequent meetings with the CQC relationship manager for the Trust. During 2020/21 the Trust has also engaged in the CQC's Transitional Monitoring Approach (TMA) to provide additional assurance to the CQC, through virtual meetings about the services provided.

Further detailed information is available in the Quality Account.

4.1.4 NHS Litigation Authority

The NHS Resolution (NHSR) is the operating name of the NHS Litigation Authority (NHSLA) which operates risk pooling schemes to which the Trust pays an annual contribution. In return the NHSLA pays the costs of all clinical negligence claims from the NHS annual budget. We are a member of the following NHSLA schemes:

- Clinical Negligence Scheme for Trusts (CNST)
- Liabilities to Third Parties Scheme (LTPS)
- Property Expenses Scheme (PES)

The Trust reported 125 clinical negligence claims to NHSR in the financial year 2020/21. During the year there have been nine new personal injury claims have been opened in the year to date.

The Trust is committed to minimising the opportunity for harm to patients and staff. In keeping with our open and honest culture staff are encouraged to report adverse events in a timely manner so that they can be investigated to identify opportunities for future learning and improvement. Action plans are implemented, seeking to avoid similar incidents occurring again. The Trust's Legal Department works closely with the Complaints and Patient Safety departments to identify learning opportunities and mitigate risk.

4.1.5 Principles for Remedy

Improving the experience of each individual patient is at the centre of everything that we do. Obtaining feedback from patients and taking account of their views and priorities is vital for the delivery of high quality services and for driving real service improvements. The Patient Advice and Liaison Service (PALS) provide confidential advice, support and information on health-related matters seven days a week. They provide a point of contact for patients, their families and their carers. During the national lockdown in response to coronavirus, PALS continued to operate although with reduced face to face appointments. Trends and themes of PALS enquiries are escalated for action which has been invaluable, in particular during Covid-19.

Formal complaints are escalated to, and managed by the Trusts Complaints Team in accordance with the NHS Complaint Handling Regulations. During the national lockdown in 2020 NHS England/Improvement paused the investigation of new and existing complaints. The Trust also paused complaint responses, however the Complaints Team continued to process all complaints where possible. Trends and themes are reported to Trust Groups via monthly reports, quarterly to Trust Board via the 'We Care Patient Experience Report' and annually. The Complaints Team also provide regular ad-hoc reports to various committees within the organisation.
Learning actions from PALS and Complaints are captured to enable the Trust to be responsive and remedy focussed.

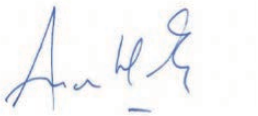
Patient feedback

The Patient Insight and Involvement Team continued to collect patient feedback throughout the pandemic, as it was imperative we understood our patient's views more than ever in such unprecedented times. Surveys included the Friends and Family Test, St Cross survey, Uniform Survey, DNA Outpatient Survey and DNA Theatre Survey.

The team also led on the Infection Prevention and Control Covid-19 Feedback Survey. This survey has been undertaken twice and was important for the Trust to undertake because we appreciate one of the greatest anxieties for patients coming into hospital is whether they will be safe and that they want reassurance around what measures the hospital has put in place to prevent and manage Covid-19 spreading. Based on this, the survey questions covered areas including: information received prior to hospital admission, signage in public areas, cleanliness, availability of alcohol gel/hand washing facilities and thoughts about overall experience.

The Team continue to lead on the Thinking of You initiative which enables friends or family members of people in hospital to send a letter and photographs to their loved ones. The Team have continued to bring stories to Trust Board through the Patient Story Programme and work with our Patient Partners to ensure the patient voice is at the centre of everything we do.

Signed



Chief Executive Officer, 10 June 2021

4.1.6 The statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust

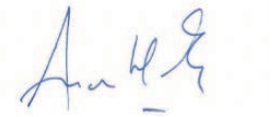
The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance
- value for money is achieved from the resources available to the Trust
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them
- effective and sound financial management systems are in place and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer

Signed



Chief Executive Officer, 10 June 2021

4.1.7 Statement of Directors' Responsibilities in Respect of the Accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

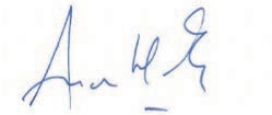
The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides

the information necessary for patients, regulators and stakeholders to assess the NHS Trust's performance, business model and strategy.

By order of the Board

Signed



Chief Executive Officer, 10 June 2021

Signed

Chief Finance Officer, 10 June 2021

4.1.8 The Annual Governance Statement

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS 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 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 Trust Accountable 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 University Hospitals Coventry and Warwickshire NHS 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 University Hospitals Coventry and Warwickshire NHS Trust for the year ending31 March 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

I am accountable for risk management across all activities within the Trust and have delegated this responsibility to the Chief Quality Officer, who has overall responsibility at Board level.

The Trust has a systematic approach to the identification and management of risks in order to ensure that risk assessment is an integral part of clinical, managerial and financial decision making. The Board and its standing committees collectively review the most significant risks, each of which has a named operational and chief officer lead.

The Trust's Risk Management Policy is in place and this provides on operational risk management. Training is provided to all managers to ensure they are aware of their roles and responsibilities within the framework. The two-hour workshop allows managers to review and discuss risks relevant to their area and practice using the risk management software. All staff are informed of the risk management practices in the Trust at induction.

The risk and control framework

Effective risk management requires the involvement of all staff who are expected to identify and manage risk. The risk management team within the Quality Department is responsible for providing risk management training and a programme of training has been rolled out across the organisation during the year to help managers assess and evaluate risk. Staff are also provided with training in incident investigation and in undertaking root cause analyses.

The risk management process starts with risk assessments that are carried out at all levels of the organisation using a 5x5 matrix using a combination of consequence and likelihood; these risks are then documented on the risk register. A risk register is in place and is utilised across the organisation to capture risks at clinical group and corporate level. The risk register is split into the local risk registers (group and speciality level), the corporate risk register and the Board Assurance Framework for reporting and monitoring purposes.

Low scoring risks are managed within the area in which they arise, whilst higher scoring risks are managed at either clinical group level or through the corporate meeting structure commensurate with their score.

The Risk Committee, which I chair, considers whether any individual risk should be escalated to the corporate risk register. Group leadership teams attend meetings of the Risk Committee on a rotational basis to provide details of the risks in their areas, together with assurance in relation to their management and mitigation. Chief Officers also present the risks relating to their portfolios at the Committee in order that the same assurances can be given.

During 2020/21 a number of meetings were shortened or attendance was reduced in response to the pandemic and Risk Committee was one of these with groups attending less frequently and attendance being temporarily reduced to minimum quoracy levels.

Risks are discussed at Clinical Group level as part of the Quality Improvement and Patient Safety (QIPS) meetings that take place each month and are also an area of focus in the Trust's performance framework. Information obtained from the QIPS meetings is collated centrally by the Quality Department.

The Board is responsible for the identification and management of risks to the achievement of the objectives that it has agreed and has a Board Assurance Framework (BAF) that is monitored three times per year. The BAF was reviewed in April 2018 to take account of the refreshed organisational strategy and identified six risks to the delivery of the strategic objectives.

The BAF includes:

- Definition of the risk
- Assessment of potential likelihood and impact to give an overall risk rating
- Key controls by which the risk is managed
- The means through which the effectiveness of the controls are assured
- Any gaps in controls or assurance
- Action plans to ensure improvement in controls and assurances

The Audit and Risk Assurance Committee (ARAC) also has oversight of the BAF in line with its responsibility for assessing the overall system of internal control. The internal audit annual plan is driven by the Board Assurance Framework and provides an independent source of assurance around the effectiveness of the key controls that are in place. The plan is reviewed in light of any changes to the BAF, to assess whether additional audit activity is required. A number of contingency days are held each year to accommodate changes to the risk profile.

The BAF is a dynamic document that is monitored by the Board three times per year. The Board approves proposed changes in risk ratings as mitigating actions take effect throughout the year or as other factors affect the likelihood or consequence of any particular risk. The BAF risks and those on the corporate risk register are also reviewed on a regular basis by the Board's committees on a cyclical basis.

Independent assurance in relation to the rigour of the BAF is provided by internal audit, who undertake both an interim and full review of the BAF each year and the overall conclusion in 2020/21 was that the BAF met requirements (level A) and provides reasonable assurance that there is an effective system of internal control to manage the risks identified by the Trust. On behalf of the Board, ARAC commissioned a review of the BAF and a small working group was established. The Covid-19 pandemic has meant that this working group has yet to reach a point where recommendations have been made to the Trust Board for adopting a changed model.

The Trust has proactively managed patients waiting excessive lengths of time for treatment and since November 2018, when an undertaking was given to NHS England and NHS Improvement, there were no breaches of the 52 week standard, until the end of March 2021 and this was directly due to the cancelling of elective treatment due to Covid-19 and the backlog that has grown during the course of the pandemic.

The Trust has not carried a self-assessment against the Well Led framework but this was tested through the CQC inspection process in the autumn of 2019. The rating for the Well Led domain was 'Good' which also included an improvement in the rating for the Hospital of St Cross, which had previously been 'requires improvement'.

Quality governance is managed through a variety of management and assurance committees and processes. These oversee performance and provide assurances to the accountable chief officers who report these to the Quality and Safety Committee (QSC) in order to ensure the Trust fulfils its obligations for CQC registration.

The major risks that the Trust faced in 2020/21 were as follows:

- Minimising and managing the risk of transmission of Covid-19 in the hospital
- Restoring services and reducing the backlog following the Covid-19 pandemic
- A potential further surge in Covid-19 cases following the initial wave in the spring
- Delays in admission to a mental health unit for patients with mental health problems
- UHCW NHS Trust lack of CT scan capacity for Emergancy Department, major trauma and urgent in-patient referrals
- Inadequate level of service under a managed service contract
- Capital financing

The Trust complies with the 'Developing Workforce Safeguards', recommendations and regularly assesses its short, medium and long term workforce strategies in order to assure the Board that staffing processes are safe, sustainable and effective. The ways that it does this, include:

- Quarterly reports to the Trust's Nursing and Midwifery Committee and six-monthly reports to Trust Board on safe staffing
- Services specified in alignment with Royal College of Physician recommendations for safe staffing, European Working Time regulations and deanery requirements
- The integrated performance report to Trust Board includes workforce information such as, mandatory training, vacancies, agency usage etc.
- Silver command assesses staffing levels on a daily basis to ensure staffing levels are safe, escalating to chief officers as necessary
- The Guardian for Safe Working reports to the Board to provide assurance about the working hours and staffing levels for junior doctors in training
- Business continuity plans are in place to mitigate risks to staffing levels

The Counter Fraud Specialist undertakes a programme of work for the Trust which includes awareness and deterrence training; fraud detection and prevention; and investigations. The Audit Committee receives regular reports relating to the Counter Fraud Annual plan and the Trust actively seeks redress and legal sanctions where appropriate.

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

We aspire to the highest standards in corporate governance and our corporate governance framework is set out in our Standing Orders, Standing Financial Instructions and Scheme of Reservation and Delegation, which was last reviewed in May 2019 (with some minor changes to enable remote attendance to meetings in May 2020).

The Trust has a Code of Business Conduct policy which includes the requirement for interests to be declared in line with national guidance[1]. The policy applies to all staff but requires 'decision making staff' to make a declaration at least once a year, even if that is a 'nil' declaration.

Decision making staff are defined as being the following:

- Board members (Chief Officers and Non-Executive Directors)
- Clinical Directors
- Group Directors of Operations
- Group Directors of Nursing and Allied Health Professionals
- Corporate directors
- Medical consultants
- Other senior managers of band 8d and above

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

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.

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

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of Economy, Efficiency and Effectiveness of the Use of Resources

An emergency financial framework was implemented nationally during the pandemic. This consisted of two halves: An H1 framework based on a retrospective reclaim process and an H2 process based on a prospective allocation including Covid-19 funds.

We achieved a break-even position in H1 against a break-even plan, and for H2 we achieved a £0.2m surplus against a £0.6m deficit plan.

There was no formal reporting requirement for efficiency in year; however, we transacted £3.68m in H2 agreed in 2019/20 as a recurrent adjustment.

We improved our cash position with a focused effort on debtors, moving our reported liquidity metric from 33.7days to 7.3days.

The Trust will continue to be a very active participant in the Coventry and Warwickshire Health Partnership, with a key focus on the Coventry and Rugby Places. Our primary focus for the year ahead is likely to be consumed with the recovery needed as we transition from the Covid-19 pandemic, but there is also a critical focus on the longer term financial sustainability of the Trust and wider system.

Control Issues

The Trust is required to meet a 92% standard for the referral to treatment (RTT) measurement for incomplete pathways. This means that 92% of patients on our total waiting list should be treated within 18 weeks of being referred.

The Trust' performance has been heavily affected by the Covid-19 pandemic as much elective activity was stood down to create capacity for Covid-19 patients. Overall, performance against this measure during 2020/21 was 54.4% at the end of March 2021 compared to 73.4% at the end of March 2020. This also had an impact on patients waiting 52 weeks or more for their treatment with 4,603 patients in that position at the end of March 2021 compared with 2 at the end of the previous financial year. Further details are provided on page 17.

The Trust's performance against the 4 hour standard in the emergency department was also affected by Covid-19 although the reduced attendance and changes to pathways saw an improvement in performance to 86.13% compared with 82.5% at the end of 2021, against the national target of 95%.

There were two 'Never Events' reported in 2020/21. The Trust's incident management framework is well established and robust and includes a nationally recognised Patient Safety Response team who attend any potential serious incident (moderate harm or above) to work with staff involved to identify immediate lessons learnt, support the staff and ensure duty of candour is completed with the patient or family. This process helps to ensure that serious incidents are managed within statutory timescales, maximises learning and ensures patients and their families are always put first.

1. Managing Conflicts of Interest in the NHS, NHS England 2018

Information Governance

The Trust was due to submit the assessment of the Data Security and Protection Toolkit (DSPT) to NHS Digital on 31st March 2021 but due to the Covid-19 pandemic, this was deferred to 30th June 2021. The submission of the DSPT was also deferred in 2019/20 from 31st March 2020 to 30th September 2020. The DSPT is a requirement in the NHS England standard conditions contract that provider organisations undertake a DSPT assessment on an annual basis. Our performance is at 'Standards Met' this year; UHCW has met all 37 of the mandatory assertions.

The Chief Quality Officer is the Senior Information Risk Owner (SIRO) at the Trust, supported by the Director of Corporate Affairs who is the Deputy SIRO. The Chief Medical Officer is the Caldicott Guardian, supported by the Deputy Chief Medical Officer who is also a Caldicott Guardian.

Since 30th September 2020 there have been two Information Governance breaches in 2020/21. One of these breaches required reporting to the Information Commissioner's Office (ICO), and the other was where a complaint was made directly made to the ICO as shown in the following table:

Date of incident (month)	Nature of incident	Number affected	How patients were informed	Lessons learned
November 2020	Failure to recognise a subject access request for CCTV.	1	Verbally and a letter of apology.	To improve internal processes and raise awareness of staff of how to handle the different types of subject access request as per the ICO's code of practice.
March 2021	A member of staff has lost a notebook which contained patient details.	TBC	Not informed as yet.	Currently under investigation.

The ICO did not take any formal action as a result of any of these breaches.

Data Quality and Governance

A number of the requirements of the Data Security and Protection Toolkit encompass data quality. To ensure that we meet the required standards, the data quality team provides training and advice to users of the Patient Administration System that is used to record patient information to support the provision of patient care and data submissions.

A suite of data quality reports for data reported both internally and externally are routinely produced. These are reviewed, with areas of concern highlighted and appropriate actions taken to rectify any issues.

The Trust submitted records from 2020/21 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data for April 2020 to March 2021: which included the patient's valid NHS number was:

- 99.6% for admitted patient care
- 99.9% for outpatient care
- 97.0% for accident and emergency care

Internal audit regularly reviews data quality, with the latest of these reviews taking place during 2018/19 into the quality of data for cancer waits, referral to treatment times and 4 hour accident and emergency waits. All these reviews provided conclusions of 'significant assurance' to provide assurance to the Board of the quality and integrity of data reported.

Performance

As set out in the performance analysis, there have been particular performance challenges for the Trust in 2020/21, relating to the accident & emergency four-hour target, referral to treatment (RTT) and diagnostic waits. All of these have been considerably affected, both positively and negatively, by the reaction to the Covid-19 pandemic.

The Trust has an elective access training strategy which provides a training framework for clinical and non-clinical staff to be fully knowledgeable in national elective care standards, and competent in the application of referral to treatment times (RTT) rules in managing patients along their elective care pathways.

We have an RTT Team whose primary function is to govern the correct application of the RTT rules and track patient pathways to ensure we have correct data collection and provide validation guidance. During 2020/21, this team has also been involved in establishing and monitoring clinical prioritisation lists for the increasing numbers of patients on the inpatient waiting list. There are always risks with data recording accuracy however validation reports are used to identify errors and omissions enabling corrective actions to take place. We continue to adhere to a monthly audit timetable to constantly ensure accurate application of rules and results to drive an action plan for improvements.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in 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, including the Head of Internal Audit opinion.

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 and Risk Assurance Committee and other groups, including the Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The following key processes have been applied to test the effectiveness of the system of internal control on which I base my review.

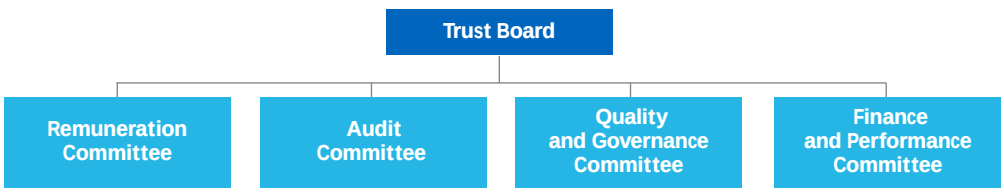
- The Board Assurance Framework (BAF) provides evidence of the effectiveness of controls to manage risks to the organisation achieving its key objectives. This is reviewed regularly by the Board and is managed by Chief Officers through the Risk Committee
- During the year, the Audit and Risk Assurance Committee has been carrying out a review of the BAF to improve its effectiveness for the Board
- Internal auditors have a risk-based plan of reviews to test the major control systems across the Trust in order to provide assurance about the rest of the internal control system
- External auditors have reviewed the annual accounts and annual report.
- Audit and Risk Assurance Committee scrutinises the financial and other controls in place as part of their work programme
- Quality and Safety Committee reviews clinical governance processes, including the management of serious incidents and clinical effectiveness
- The Board carried out a review of its committees which was implemented in May 2020 to improve coverage and assurance

Trust Board and Committee Structures

The Covid-19 pandemic impacted on governance arrangements at the Trust throughout 2020/21 and Trust Board approved changes to streamline governance arrangements at its extraordinary meeting in April 2020 and again at its meeting in November 2020. The Trust Board, and its committees, were held via video-conference as non-executive directors were encouraged not to come on site. Chief Officers also joined via video-conferencing even when on site to try and make meetings as interactive as possible. Some meetings were stood down and some chief officers missed more meetings than usual as they dealt with the operational and clinical pressures the pandemic created.

Changes to standing orders were made to enable virtual attendance to be counted towards quoracy and agendas were curtailed. The Trust Board meeting has been broadcast live to enable an element of public participation and accountability. Other meetings were shortened or cancelled to reduce the burden on the organisation while it was dealing with the pandemic.

The Trust Board revised its committee structure in May 2020, with revised terms of reference and that structure is shown below;



Trust Board

The role of our Trust Board is to govern the organisation and ensure that it is well managed. Its primary functions are:

- Setting the overall strategic direction of the organisation within the context of NHS priorities and policy
- Regularly monitoring performance against objectives
- Providing financial stewardship through value for money, financial control and financial planning
- Ensuring high quality, safe and effective services and patient focused service provision through clinical and quality governance
- Ensuring high standards of corporate governance, personal conduct and compliance with statutory duties
- Promoting effective dialogue with the local communities we serve.

Attendance at the Trust Board during 2020/21 was as follows;

Name	Position	Possible Meetings	Meetings Attended	Attendance rate
Stella Manzie	Chair	7	7	100%
Laura Crowne	Chief Operating Officer	7	6	86%
Guy Daly	Non-Executive Director	7	7	100%
Donna Griffiths	Chief People Officer (from 1 Sep 2020)	4	4	100%
Jerry Gould	Vice Chair	7	7	100%
Andy Hardy[2]	Chief Executive Officer	6	6	100%
Mo Hussain	Chief Quality Officer	7	7	100%
Afzal Ismail	Non-Executive Director	7	7	100%
Sudhesh Kumar	Non-Executive Director	7	7	100%
Karen Martin	Chief Workforce and Information Officer (until 31 Aug 2020)	3	3	100%
Nina Morgan	Chief Nursing Officer	7	7	100%
Jenny Mawby-Groom	Associate Non-Executive Director	7	7	100%
Carole Mills	Non-Executive Director	7	5	71%
Kiran Patel	Chief Medical Officer	7	6	86%
Justine Richards	Chief Strategy Officer	7	7	100%
Su Rollason	Chief Finance Officer	7	6	86%
Brenda Sheils	Non-Executive Director	7	7	100%

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) is a statutory committee of the Board responsible for overseeing governance and the internal control system. It comprises four non-executive directors and is responsible for:

- Reviewing systems of integrated governance, risk management and internal control
- Approving the annual work plans for the Trust's internal and external auditors and monitoring progress against these
- Monitoring the performance of the Trust's management in responding to agreed actions
- Reviewing the draft Annual Report, draft Quality Account and financial statements before submission to the Trust Board
- Ensuring adequate arrangements are in place for counter fraud and security that meet the standards set by the NHS Counter Fraud Authority
- Reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process
- Monitoring the integrity of the financial statements of the Trust and any formal announcements relating to its financial performance
- Reviewing the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns and ensure that any such concerns are investigated proportionately and independently; and
- Ensuring that policies, procedures, systems and processes are in place to ensure effective clinical and corporate governance

2. Andy Hardy was on a four-month secondment to the Department of Health and Social Care so was unavailable for the September 2020 meeting.

During the course of the year ARAC has:

- Received several reports from internal audit arising out of the annual Internal Audit Plan for the year
- Received several follow up audit reports in respect of previous assignments with a limited assurance conclusion
- Received updates from external auditors
- Overseen improvement in the number of outstanding actions arising out of internal audit recommendations
- Approved proposals for the write-off of debt following scrutiny and challenge
- Monitored the effectiveness of the Board Assurance Framework
- Reviewed the Trust's arrangements for Raising Concerns (Whistleblowing)
- Reviewed the work undertaken across the Trust in relation to information governance

Attendance at the Audit and Risk Assurance Committee[3] during 20/21;

Name	Position	Possible Meetings	Meetings Attended	Attendance rate
Afzal Ismail	Non-Executive Director (Chair)	5	5	100%
Guy Daly	Non-Executive Director	5	3	60%
Jerry Gould	Non-Executive Director	5	5	100%
Sudhesh Kumar	Non-Executive Director	5	4	80%

Remuneration Committee

The Remuneration Committee is a statutory committee of the Board responsible for determining the remuneration and terms of service of the chief officers and a small number of senior managers. It comprises all the non-executive directors of the Trust Board and its principle areas of responsibility are:

- To determine Trust policy on all aspects of salary, including any performance related elements and bonuses
- To review the provision of other benefits including pensions and lease cars; and
- To determine contractual arrangements including severance packages for directors in the event of termination of their employment

During the course of the year the Remuneration Committee has:

- Appointed a new Chief People Officer and Deputy Chief Executive Officer
- Reviewed the interim arrangements for medical consultants and other senior staff affected by the tax implications of their pension contributions
- Agreed a disciplinary process for chief officers
- Approved the principle of the appointment of a further associate non-executive director

Attendance at Remuneration Committee during 2020/21 was as follows;

Name	Position	Possible Meetings	Meetings Attended	Attendance rate
Stella Manzie	Chair	4	4	100%
Guy Daly	Non-Executive Director	4	4	100%
Jerry Gould	Vice Chair	4	4	100%
Afzal Ismail	Non-Executive Director	4	3	75%
Sudhesh Kumar	Non-Executive Director	4	3	75%
Carole Mills	Non-Executive Director	4	4	100%
Brenda Sheils	Non-Executive Director	4	4	100%

3. This also includes Audit Committee attendance, which this Committee superseded in July 2020

Quality and Safety Committee

The Quality and Safety Committee provides the principal source of assurance to the Board that the Trust is delivering high quality, safe services to patients. The Committee comprises four non-executive directors and three chief officers and meets monthly, although meetings in November, January and March were stood down due to the Covid-19 pandemic.

The Committee ensures that the Trust has the appropriate strategies, systems, policies, and procedures in place to deliver the necessary standards of care by:

- Providing a forum for scrutiny of any of the Trust's quality indicators or priorities at the request of the Board
- Providing assurance to the Board that arrangements are in place for identifying, prioritising and managing risk and that risks are escalated to the Board as appropriate
- Promoting safety, quality and excellence in patient care
- Ensuring the effective and efficient use of resources through the evidence-based clinical practice;
- Protecting the safety of employees and all others to whom the Trust owes a duty of care;
- Ensuring that effective systems and processes are in place to support high quality care through an effectual training and education and ICT infrastructure
- Ensuring that the Health and Safety Committee has an overarching view of health and safety
- and provide assurance that non-clinical risks are effectively managed on behalf of the Trust

The Committee receives regular reports on a number of topics, as shown below:

- Patient safety
- Clinical audits and effectiveness
- Serious incidents and never events
- Mortality
- Infection prevention and control
- Patient experience and engagement
- Health and safety
- Quality standards
- Relevant risks on the Board Assurance Framework and Corporate Risk Register

As well as these regular reports, the Committee also received reports relating to specific and timely topics, including:

- Covid-19 governance arrangements
- Nurse safe staffing during Covid-19
- Maternity safety improvement plan
- CQC action plan
- The impact on the children's emergency department as a result of re-opening schools
- Board walk rounds

Attendance at Quality and Safety Committee[4] during 2020/21 was as follows;

Name	Position	Possible Meetings	Meetings Attended	Attendance rate
Sudhesh Kumar	Non-Executive Director (Chair)	9	9	100%
Guy Daly	Non-Executive Director	9	8	89%
Mo Hussain	Chief Quality Officer	9	8	89%
Carole Mills	Non-Executive Director (Chair)	9	8	89%
Nina Morgan[5]	Chief Nursing Officer	9	5	56%
Kiran Patel[5,6]	Chief Medical Officer	6	4	67%
Brenda Sheils	Non-Executive Director	9	9	100%

4. This also includes Quality Governance Committee attendance, which this Committee superseded in June 2020
5. Board agreed that the Chief Medical Officer and Chief Nursing Officer would not attend all meetings to enable them to address operational pressures related to the pandemic
6. The Chief Medical Officer was acting Chief Executive for four months so was represented by a Deputy Chief Medical Officer for three meetings

Finance, Resources and Performance Committee

The Finance, Resources and Performance Committee provides a principal source of assurance to the Board that the Trust is delivering value for money and effective services to patients and that it ensures efficient use of resources. The Committee comprises four non-executive directors and three chief officers and meets monthly, although meetings in November, January and March were stood down due to the Covid-19 pandemic. The Committee ensures that the Trust has the appropriate strategies, processes, systems, policies, and procedures in place by:

- Monitoring monthly income and expenditure variance to provide assurance to the Board and escalate any emerging issues of concern
- Monitoring delivery of key access targets and operational delivery plans to provide assurance to the Board and escalate any emerging issues of concern
- Providing a forum for scrutiny of any of the Trust's performance indicators at the request of the Board, referring any potential impact on quality to the Quality Governance Committee
- Reviewing the performance management arrangements for each Group, scrutinising the arrangements in place to meet financial and operational targets
- Reviewing the performance of Service Providers within the PFI contract
- Providing effective oversight of all major capital and development projects including associated risks with the projects
- Ensuring adequacy of the Trust's Strategic Financial Planning

The Committee receives regular reports on a number of topics, as shown below:

- Emergency care
- Elective restoration
- Sustainable development
- Relevant risks on the Board Assurance Framework and Corporate Risk Register
- Estates
- Workforce information

As well as these regular reports, the Committee also received reports relating to specific and timely topics, including:

- Procurement and the review of the HTE framework
- Apprenticeship levy report
- Urgent Treatment Centre options
- Rugby modular theatres business case
- Hybrid theatres business case
- PFI soft services benchmarking
- Integrated musculo-skeletal services for Coventry Place
- 'No deal' EU exit preparations
- Electronic Patient Record
- Emergency department expansion business case
- Financial restoration

Attendance at Finance, Resources and Performance Committee[7] during 2020/21 was as follows;

Name	Position	Possible Meetings	Meetings Attended	Attendance rate
Jerry Gould	Non-Executive Director (Chair)	9	9	100%
Laura Crowne[8]	Chief Operating Officer	9	7	78%
Donna Griffiths	Chief People Officer (from 1 Sep 2020)	4	3	75%
Karen Martin	Chief Workforce and Information Officer/ Deputy CEO (until 31 Aug 2020)	5	3	60%
Jenny Mawby-Groom	Associate Non-Executive Director	7	6	86%
Carole Mills	Non-Executive Director	9	9	100%
Su Rollason	Chief Finance Officer	9	8	89%
Brenda Sheils	Non-Executive Director	9	9	100%

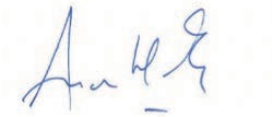
7. This also includes Finance and Performance Committee attendance, which this Committee superseded in June 2020
8. The Chief Operating Officer was not able to attend all meetings despite being on site due to operational pressures related to the pandemic

Conclusion

The following significant internal control issues have been identified which have been described in the performance report;

- Referral to treatment times, in particular the number of patients waiting over 52 weeks for treatment
- Performance against the four-hour target for emergency attendances
- As stated within the control issues there have been two never events during 2020/21.

Signed



Chief Executive Officer, 10 June 2021

4.2 Remuneration and Staff Report

The Chief Executive Officer (as the Trust's accountable officer) has confirmed that those chief officers and non-executive directors who regularly attend Trust Board meetings should be regarded as the Trust's senior managers for the purpose of disclosing remuneration and pensions in the annual report.

The senior managers' remuneration disclosures for 2020/21 (and 2019/20) and pensions disclosures are included on the next few pages of this report.

4.2.1 Remuneration Policy

The Remuneration Committee, whose membership comprises exclusively of non-executive directors, has reviewed the Remuneration Policy for chief officers and has determined that national benchmarking will be used as a determinant for executive pay.

Senior Managers' Remuneration 2020/21

Name	Title	Salary (bands of £5,000) £'000	Expense payments (taxable) and benefits in kind (to nearest £100) £	Performance pay and bonuses (bands of £5,000) £'000	Long term performance pay and bonuses (bands of £5,000) £'000	All pension -related benefits (bands of £2,500) £'000	TOTAL (bands of £5,000) £'000
Andrew Hardy[1]	Chief Executive Officer	180 - 185	3,500	0	0	40.0 - 42.5	225 - 230
Justine Richards[3]	Chief Strategy Officer	135 - 140	100	0	0	80.0 - 82.5	215 - 220
Susan Rollason	Chief Finance Officer	135 - 140	2,900	0	0	42.5 - 45.0	185 - 190
Karen Martin	Chief Workforce and Information Officer (to 31/08/20) Deputy Chief Executive Officer (to 13/08/20)	70 - 75	0	0	0	0	70 - 75
Donna Griffiths[4]	Chief Workforce and Information Officer (from 01/09/20)	75 - 80	900	0	0	57.5 - 60.0	130 - 135
Antonina Morgan	Chief Nursing Officer	140 - 145	0	0	0	27.5 - 30.0	170 - 175
Laura Crowne	Chief Operating Officer	130 - 135	1,500	0	0	72.5 - 75.0	205 - 210
Kiran Patel[2]	Chief Medical Officer (from 01/07/19) Deputy Chief Executive Officer (from 01/09/20)	210 - 215	0	0	0	317.5 - 320.0	530 - 535
Mohammed Hussain	Chief Quality Officer	115 - 120	0	0	0	57.5 - 60.0	175 - 180
Stella Manzie	Chairman	35 - 40	1,400	0	0	0	40 - 45
Afzal Ismail	Non-Executive Director	10 - 15	0	0	0	0	10 - 15
Carole Mills	Non-Executive Director	10 - 15	0	0	0	0	10 - 15
Brenda Sheils	Non-Executive Director	10 - 15	100	0	0	0	10 - 15
Sudhesh Kumar[5]	Non-Executive Director	10 - 15	0	0	0	0	10 - 15
Jeremy Gould	Non-Executive Director (Vice Chair)	10 - 15	200	0	0	0	10 - 15
Jenny Mawby-Groom	Associate Non-Executive Director	10 - 15	300	0	0	0	10 - 15
Guy Daly	Associate Non-Executive Director	10 - 15	0	0	0	0	10 - 15
Edward Macalister-Smith[6]	Former Non-Executive Director (to 31/03/20)	0	200	0	0	0	0 - 5
Ian Buckley[6]	Former Non-Executive Director (to 31/03/20)	0	200	0	0	0	0 - 5

NB Information in the above table is subject to audit

1. Andrew Hardy was seconded to the Department of Health and Social Care (DHSC) from 10th August to 22nd November 2020. An amount of £45,993 was invoiced to NHS England in respect of his salary for this period. This amount has been excluded from his salary in the table above as it relates to management costs of DHSC..
2. Kiran Patel's remuneration includes sums payable in respect of clinical duties in addition to his duties as a director of the Trust. Kiran Patel became Deputy Chief Executive Officer from 1st September 2020 and was Acting Chief Executive Officer from 1st September to 22nd November 2020 during Andrew Hardy's secondment.
3. Justine Richards was also Acting Deputy Chief Executive Officer from 17th August to 22nd November 2020.
4. Donna Griffiths' role was on an interim basis from 1st September to 10th September 2020.
5. Sudhesh Kumar is on the payroll of Warwick University and the salary recorded above is an accrued sum which is payable to Warwick University for his services.
6. Two former Non-Executive Directors who left their role in 2019/20 were paid expenses in 2020/21 that related to 2019/20.
7. In certain circumstances pension related benefits may be negative in which case they are recorded above as nil.

Senior Managers' Remuneration 2019/20

Name	Title	Salary (bands of £5,000) £'000	Expense payments (taxable) and benefits in kind (to nearest £100) £	Performance pay and bonuses (bands of £5,000) £'000	Long term performance pay and bonuses (bands of £5,000) £'000	All pension -related benefits (bands of £2,500) £'000	TOTAL (bands of £5,000) £'000
Andrew Hardy	Chief Executive Officer	230 - 235	7,600	0	0	65.0 - 67.5	305 - 310
Lisa Kelly	Chief Operating Officer (to 31/07/19)	45 - 50	0	0	0	0	45 - 50
Laura Crowne	Chief Operating Officer (from 01/08/19)	80 - 85	0	0	0	42.5 - 45.0	125 - 130
Richard de Boer[2]	Chief Medical Officer (to 30/06/19)	45 - 50	0	0	0	10.0 - 12.5	55 - 60
Kiran Patel[3]	Chief Medical Officer (from 01/07/19)	155 - 160	0	0	0	0	155 - 160
Justine Richards	Chief Strategy Officer	125 - 130	0	0	0	102.5 - 105.0	230 - 235
Susan Rollason	Chief Finance Officer	140 - 145	2,900	0	0	87.5 - 90.0	230 - 235
Karen Martin	Chief Workforce and Information Officer/Deputy Chief Executive Officer	145 - 150	0	0	0	0	145 - 150
Antonina Morgan	Chief Nursing Officer	140 - 145	5,300	0	0	35.0 - 37.5	180 - 185
Geoffrey Stokes	Chief Quality Officer (from 01/07/19 to 31/10/19)	35 - 40	0	0	0	5.0 - 7.5	45 - 50
Mohammed Hussain	Chief Quality Officer (from 04/11/19)	45 - 50	0	0	0	17.5 - 20.0	65 - 70
Andrew Meehan	Chairman (to 30/09/19)	15 - 20	800	0	0	0	20 - 25
Stella Manzie	Chairman (from 01/10/19)	15 - 20	500	0	0	0	20 - 25
Ian Buckley	Non-Executive Director	5 - 10	1,800	0	0	0	5 - 10
Edward Macalister-Smith	Non-Executive Director	5 - 10	1,300	0	0	0	5 - 10
Brenda Sheils	Non-Executive Director	5 - 10	1,000	0	0	0	5 - 10
Barbara Beal	Non-Executive Director (to 16/04/19)	0 - 5	0	0	0	0	0 - 5
Sudhesh Kumar[1]	Non-Executive Director	5 - 10	0	0	0	0	5 - 10
Jeremy Gould	Non-Executive Director (from 01/04/19)	5 - 10	900	0	0	0	5 - 10
Jenny Mawby-Groom	Associate Non-Executive Director (from 01/04/19)	5 - 10	900	0	0	0	5 - 10
Guy Daly	Non-Executive Director (from 01/10/19)	0 - 5	0	0	0	0	0 - 5

NB Information in the above table is subject to audit

1. Sudhesh Kumar is on the payroll of Warwick University and the salary recorded above is an accrued sum which is payable to Warwick University for his services.
2. Richard de Boer's remuneration includes sums payable in respect of clinical duties in addition to his duties as a director of the Trust from 1st April to 30 June 2020.
3. Kiran Patel's remuneration includes sums payable in respect of clinical duties in addition to his duties as a director of the Trust from 1st July to 31 March 2020.
4. In certain circumstances pension related benefits may be negative in which case they are recorded above as nil.

Senior Managers' Pensions 2020/21

Name	Title	Real increase in pension at pension age (bands of £2,500) £'000	Real increase in pension lump sum at pension age (bands of £2,500) £'000	Total accrued pension at pension age at 31 March 2020 (bands of £5,000) £'000	Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5,000) £'000	Cash equivalent transfer value at 1 April 2019 £'000	Real increase in cash equivalent transfer value £'000	Cash equivalent transfer value at 31 March 2020 £'000	Employers contribution to stakeholder pension £'000
Andrew Hardy	Chief Executive Officer	2.5 - 5.0	0	80 - 85	165 - 170	1,365	42	1,462	0
Justine Richards	Chief Strategy Officer	2.5 - 5.0	2.5 - 5.0	45 - 50	90 - 95	712	67	805	0
Susan Rollason	Chief Finance Officer	2.5 - 5.0	0	40 - 45	75 - 80	574	29	626	0
Karen Martin	Chief Workforce and Information Officer (to 31/08/20)	0	0	0	0	0	0	0	0
Donna Griffiths	Chief Workforce and Information Officer (to 31/07/19)	2.5 - 5.0	5.0 - 7.5	20 - 25	35 - 40	196	32	274	0
Antonina Morgan	Chief Nursing Officer	0.0 - 2.5	0.0 - 2.5	30 - 35	10 - 15	415	23	459	0
Laura Crowne	Chief Operating Officer	2.5 - 5.0	0	20 - 25	0	165	29	215	0
Kiran Patel	Chief Medical Officer	0.0 - 2.5	0	45 - 50	120 - 125	882	7	924	0
Geoffrey Stokes	Chief Quality Officer	15.0 - 17.5	30.0 - 32.5	65 - 70	155 - 160	924	278	1,243	0
Mohammed Hussain	Chief Quality Officer	2.5 - 5.0	2.5 - 5.0	25 - 30	45 - 50	299	32	353	0

NB Information in the above table is subject to audit

Note that Karen Martin left the NHS Pension Scheme and started drawing her pension prior to 1st April 2020 and before retiring from her senior manager post on 31 August 2021. NHS Pensions Agency has confirmed that under such circumstances, no information on pension benefits is available to disclose for Karen Martin for the financial year 2020-21.

Non-Pensionable Directors

Non-executive directors are not in pensionable employment and therefore are excluded from the above disclosure.

Similarly, executive directors not in pensionable employment during their term as a director during the year are also excluded.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) Regulations 2008.

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report. Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

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 scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Impact of McCloud Judgement

NHS Pensions are using pension and lump sum data from their systems without any adjustment for a potential future legal remedy required as a result of the McCloud Judgement.

As a result, the benefits and related CETVs do not allow for a potential future adjustment arising from the McCloud judgment.

Fair Pay Multiples

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

The banded remuneration of the highest paid director/Member in University Hospitals Coventry and Warwickshire NHS Trust in the financial year 2020-21 was £212,500 (2019-20, £237,500). This was 6.8 times (2019-20, 7.8 times) the median remuneration of the workforce, which was £31,413 (2018-19, £30,597).

In 2020-21, 5 (2019-20, 7) employees received remuneration in excess of the highest-paid director/member. Remuneration ranged from £8,806 to £247,646 (2019-20, £5,000 to £339,690).

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

Total remuneration excludes bank and agency staff for which annualised costs are not readily available.

The pay multiples ratio for 2020/21 has reduced from 2019/20. This was due to the banded remuneration of the highest paid director being lower in 2020/21 than 2019/20 and the median annualised remuneration increasing by £816 to £31,413. The highest paid director has changed due to the previously highest paid director being on secondment away from the Trust for part of the year.

4.2.2 Staff report

Exit Packages

There were no exit packages agreed during 2020/21.

Off Payroll Engagement

In common with most other NHS bodies the Trust engages staff on an "off-payroll" basis. The main reasons for this are as follows:

- Recharges from other bodies (mainly other NHS organisations or universities) for staff who hold joint appointments; and
- Temporary workers to cover vacant positions or staff absences.

With effect from 6th April 2017, the Government introduced new rules for off-payroll working in the public sector which placed the responsibility with the public sector engager rather than the worker to determine whether or not the engagement was captured by the intermediaries regulations (often known as IR35). With the implementation of these new rules, the Trust changed its approach to the engagement of off-payroll workers and ceased contracting directly with personal service companies (PSCs) and set up an outsourced payroll function to pay such workers.

The Trust is required to disclose certain information in connection with such arrangements as set out in the three tables below.
The information provided in these tables is not subject to audit and specifically excludes (with the exception of the Trust Board members table) those staff recharged from other bodies captured by the Government's new rules for off-payroll working in the public sector[9].

Table 1: For all off-payroll engagements as of 31 March 2021, for more than £245 per day and that last for longer than six months.

Number of existing engagements as of 31 March 2021	1
Of which the number that have existed:	
for less than one year at time of reporting	0
for between one and two years at time of reporting	0
for between two and three years at time of reporting	0
for between three and four years at time of reporting	1
for four or more years at time of reporting	0

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021, for more than £245 per day and that last for longer than six months.

Number of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	3
Of which...	
Number assessed as caught by IR35	0
Number assessed as not caught by IR35	0
Number engaged directly (via PSC contracted to department) and are on the departmental 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

The table below provides information on board members who have been engaged under an off-payroll arrangement:

Table 3: Off-payroll board member/senior official engagements
For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021:

	Number
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	1
No. of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements	18

The one "off-payroll" engagements of Trust Board members and/or senior officers with significant financial responsibility during the year related to one of the Trust's non-executive directors - assurance has been received that the individual concerned is employed on the payroll of Warwick University and is subject to PAYE. The arrangement has been reviewed and approved by the Trust's Chief Executive Officer (note this individual is excluded from tables 1 and 2 above on the basis that the University is subject to the public sector off-payroll rules).

Consultancy Services
NHS Improvement operates strict controls over expenditure on consultancy services by NHS Bodies, including the requirement to seek approval before signing contracts for consultancy projects over £50,000.

The Trust incurred no expenditure on consultancy services during 2020/21, compared with £110,000 in 2019/20.

Please note that this is not subject to audit and this also applies to sections Staff Sickness, Staff Engagement and Consultation and Equality and Diversity.

9. Other NHS bodies and universities are also responsible for seeking assurances around workers engaged on an "off-payroll" basis under the new rules for public sector bodies.

Staff Costs

Our pay bill represents the highest proportion of our expenditure and equated to £467m in 2020/21. Staffing costs are therefore, a key consideration for the Trust Board and each Specialty Group management team. Our workforce is categorised into those that we substantively employ, those that work flexibly through our internal Temporary Staffing Service (TSS) and those engaged through external staffing agencies.

The figures below also include those staff engaged under the Retention of Employment model (ROE) e.g. ISS staff.

Average Staff Numbers 2020/21	Permanently Employed WTE	Other WTE
Medical and dental	1,061	232
Ambulance staff	1	0
Administration and estates	648	40
Healthcare assistants and other support staff	2,419	227
Nursing, midwifery and health visiting staff	2,439	295
Nursing, midwifery and health visiting learners	0	0
Scientific, therapeutic and technical staff	748	30
Healthcare science staff	386	11
Other	0	0
Total average numbers	**7,702**	**835**

Staff Costs 2020/21	Permanently Employed £000	Other £000	Total £000
Salaries and wages	319,519	35,332	354,851
Social security costs	30,380	3,070	33,450
Apprenticeship levy	1,738	-	1,738
Employer's contributions to NHS pension scheme	52,850	5,227	58,077
Pension cost - other	-	142	142
Other post-employment benefits	-	-	-
Other employment benefits	-	-	-
Termination benefits	-	-	-
Temporary staff	-	19,425	19,425
	404,487	63,196	467,683
Recoveries in respect of seconded staff	(650)	-	650
Total staff costs	**403,837**	**63,196**	**467,033**

The information provided in these tables is subject to audit.

Staff Policies Applied for People with Disabilities

We ensure that people with disabilities are given full and fair consideration in their application for employment and as appropriate provide guaranteed interviews.

The Trust has signed up to the Government's 'Disability Confident' employer scheme which is designed to help support organisations in the recruitment and retention of people with disabilities. We also actively support all disabled employees, providing appropriate training, career development and promotion. Our policies are equally applied to those members of staff that become disabled whilst in our employment.

Our policies of Managing Attendance, Recruitment and Selection, Equality, Diversity and Human Rights and Dignity at Work all set out our commitments in this regard. Our Head of Equality provides a comprehensive range of training, support, advice and initiatives to support disabled people including our Supported Internship programme.

Recruiting our Staff

Monitoring of job applications shows that 51.3% of applications received in 2020/21 were from black and minority ethnic (BME) applicants. Of those short-listed, 79.3% were BME applicants and of those successfully appointed 38.2% were BME applicants.

Of the total job applicants 66.7% were female and 32.9% were male, 0.4% did not wish to disclose; of those short listed 57.4% were male, 42.3% were male and 0.3% did not wish to disclose.

Of the total job applications, 3.5% were from those declaring that they had a disability and 91.3% were from those declaring that they did not have a disability; 5.3% chose not to declare either way.

Of those short-listed, 3.4% declared that they had a disability against 95.2% who declared they did not; 1.4% did not declare.

Of those successfully appointed 5.1% had declared that they had a disability against 76.3% who declared that they did not and 18.6% did not declare.

Staff Sickness

The Trust has worked hard to protect and support staff during our Covid-19 response. We have ensured that all staff have received an appropriate risk assessment, provided personal protective equipment (PPE) and encouraged and supported staff to receive the Covid-19 vaccination. We have safely redeployed staff where needed and allowed staff to adjust their duties in order to remain at work. We have supported all clinically extremely vulnerable staff that has been required to "shield" and have supported their subsequent return to work.

We have enhanced our range of health and wellbeing initiatives to include rest facilities, wobble rooms and care packages alongside our standard offer of occupational health, psychological support, healthy lifestyle advice, immunisations and vaccinations, physiotherapy and stress management. We have also provided enhanced psychological support for specific areas and teams and implemented trauma risk management (TRIM) across the Trust.

We have continued to provide an Employee Assistance Programme which includes a free 24 hour confidential helpline for staff and their household members to counselling and support on a range of topics including stress, anxiety, lifestyle choices, financial and legal advice and have sign posted staff to the national programme of support.

Our traditional sickness absence target of 4% has not been achieved during this past extraordinary year, but at the end of March 2021 we are starting to seek a return to normal previous levels of sickness absence.

Our priority for the forthcoming year is to focus on 'Rest, Recovery and Recognition' at individual, team and organisational level.

Partnership Working

We value our staff and take a partnership approach to working with them through our Partnership and Engagement Forum (PEF), Joint Consultative and Negotiating Committee (JNCC) and Medical Negotiation Committee (MNC). These forums are attended by members of our Chief Officers Group and include representatives from our staff side colleagues and trade union representatives.

These meetings focus upon consulting with staff in a constructive manner in relation to key service changes across the organisation, as well as discussing and seeking approval of policies and procedures.

Gender Pay Gap

National reporting on gender pay has been suspended due to the Covid-19 pandemic so data is not available.

National Staff Survey

Each year, NHS staff are invited to take part in the NHS Staff Survey, the largest survey of staff opinion in the UK. It gathers views on staff experience at work around key areas. This year the survey was adapted to gather views on working through the Covid-19 pandemic and reported under 10 Themes, scored on a scale of 0-10.

The 2020 survey ran 1st October 2020 – 30th November 2020 and we invited all staff to participate. Conducting a full staff census ensured data was gathered across all staff groups, departments and demographic groups leading to greater staff engagement and increased trust in the results because everyone had the opportunity to participate. 39% (2019: 40%) of staff completed the survey which was administered online.

The Survey measures staff engagement which at 7.0 (2019: 7.1) shows a decrease from 2019, and is deemed as statistically significant. An overview of our results by theme, against our comparator organisations is presented below.

Staff responded to Covid-19 specific questions with the following:

- 45% worked on Covid-19 area (38.7% comparator)
- 24.6% redeployed due to Covid-19 (19.7% comparator)
- 19.1% required to work remotely/at home due to Covid-19 (comparator 26.2%)
- 7% shielded for themselves (6.9% comparator)
- 2.4% shielded for a member of their household (comparator 3.2%)

Generally those staff who worked remotely and shielded reported a better experience against the 10 themes than those working in Covid-19 areas and those who were redeployed.

Staff Friends and Family Test

The Staff Friends and Family Test (SFFT) measures staff recommendations of the Trust as a place to work or be treated. This has been stood down nationally during the Covid-19 Pandemic and therefore we have no results to report this year.

Developing/Empowering our Staff

All staff participate in an annual appraisal where they have an opportunity to discuss their performance, demonstrate how they live our values, have a talent conversation and agree a personal development plan. We provide access to all mandatory training to ensure we staff are safe to work and can deliver the required level of patient care.

During the Covid-19 Pandemic access to staff development was limited. As we restore services we remain committed to our continuation of developing our diverse staff and support them in delivering the best care possible to our patients. This commitment spans the delivery of clinical skills training, CPD and personnel development, and involves supporting newly qualified nurses through dedicated preceptorships programmes and Healthcare Support.

We are committed to developing leaders at all levels of the organisation and this is supported through a variety of multi-professional programmes. As part of our UHCWi System we are creating a single leadership programme bringing together our Lean for Leaders programme and our Leading Together programme into a single leadership training offer. The intention is to take the transformational elements of both courses into one programme. For all staff, throughout the pandemic period we have continued to offer the UHCWi Passport Sessions which are designed to introduce the method and improvement tools accessible to all. We offer this training through online provision, facilitated on line and face to face to suit all learning styles and time availability.

Looking After our Staff

The health and wellbeing of our staff has been our highest priority during the Covid-19 pandemic. We have continually listened and responded to staff feedback and have extensively enhanced our established health and wellbeing programme to support staff during this period.

We are proud to have ensured that all of our staff have had a Covid-19 Risk Assessment and this has been regularly reviewed when individual circumstances change or if national guidance has changed. We have supported staff with working from home, temporary role adjustments and redeployment if required and all staff have had full and proper access to PPE.

We have focused on providing and improving staff self-care and rest facilities, including the introduction of staff "wobble rooms" at the height of the pandemic response. We have provided high intensity psychological support and introduced TRIM practitioners (Trauma Risk Management) to support staff at a local level.

Alongside this, we have utilised all national health and wellbeing initiatives and have continued with our local Employee Assistance Programme providing staff with 24/7 access to confidential counselling and emotional and financial advice, our fast track physiotherapy service for staff experiencing MSK conditions and Schwartz Rounds - an evidence-based forum for hospital staff from all backgrounds to come together to talk about the emotional and social challenges of caring for patients.

Going forward into 2021/2022 our primary focus is on the areas of Rest, Recovery and Recognition, at Individual, Team and Organisational level.

Valuing and Recognising our Staff

We recognise the contribution our staff make through our annual OSCAs (Outstanding Care Awards) – this year we had an amazing response with more than 1,100 nominations in three weeks.

Staff are also able to nominate for our World Class Colleague award which is presented quarterly. We have the DAISY Award, an international recognition programme that honours and celebrates the skilful, compassionate care nurses and midwives provide every day.

The annual Long Service Awards are held for those staff achieving 25 years of NHS service.

Appreciation cards are promoted throughout the year for staff to recognise a colleague's contribution and give patients a chance to express their gratitude.

And to thank staff for their efforts throughout the Covid-19 pandemic, UHCW Charity delivered NHS Heroes care boxes filled with essentials and treats to offer support throughout a difficult time.

4.2.3 Internal Communications

We use a number of ways to ensure our staff are kept informed about what is happening within the Trust and other relevant local and national NHS information.

Our internal communications approach needs to reach more than 10,000 UHCW staff and a large number of support staff from partners such as ISS, Vinci and our 800 volunteers. We also have a large number of staff who are based at hospital sites other than our main sites in Coventry and Rugby, such as Burton, Warwick and Nuneaton.

We provide information through a weekly e-newsletter, This Week@UHCW, available to all staff from any digital device (e.g. PC, mobile, tablet) which supports staff wherever they happen to be based. We also operate a staff intranet portal, TrustNav, as well as staff noticeboards and events to raise awareness for particular issues.

A corporate team brief, UHCW Brief, ensures that there are effective two way leadership messages reaching the whole organisation with valuable feedback reaching our leadership teams. Professional bulletins from our clinical leads ensure that we maintain strong clinical engagement, with monthly updates from our Chief Medical Officer, Chief Nursing Officer and Associate Director of Allied Health Professions. These updates provide a helpful summary of issues affecting particular professional groups such as policies, regulation and supporting training.

In 2020/21 we introduced a Covid-19 Operational Brief in response to a need for rapidly evolving information regarding the coronavirus pandemic and its effects on the Trust and staff. Originally published

daily, the brief is sent to all members of staff via email and is currently distributed twice weekly.

Opportunities for staff to meet with the leadership team and Trust Board have been established throughout the year. These include the monthly Chief Officers' Forum involving over 100 senior leaders in UHCW receiving regular information updates and Chief Officers' Covid-19 question and answer sessions which provided staff with an opportunity to ask questions regarding the virus.

Our 'World Class Colleagues' scheme to recognise staff who are performing well or who have gone above and beyond has now been running for over four years. Two colleagues (one clinical and one non-clinical) are chosen each quarter to receive a special badge and certificate at the Trust Board, with nominations opened to the public for the first time ever in 2020.

We are also continuing to recognise our staff and volunteers at our annual Outstanding Service and Care Awards (OSCAs), which went virtual for the first time ever in 2020. The new-look awards celebration saw more than 1,100 total nominations across 19 categories, with teams and individuals recognised for their efforts throughout the year.

Our DAISY Awards scheme continues to offer staff and members of the public an opportunity to say thank you to nurses or midwives going above and beyond to make a difference. The monthly awards are presented by our Chief Nursing Officer and are funded and supported by the UHCW Charity.

We continually review our internal communications for improvements to ensure that our staff are kept informed and can contribute to the improvements at UHCW.

4.2.4 Equality and Diversity

The Trust continues to work towards meeting its legal obligations as set out under the Public Sector Equality Duties of the Equality Act 2010. We recognise the importance of ensuring our services are fair and equitable to all.

Everyone is unique and the Trust values the contribution that individual experiences, knowledge and skills make in delivering quality healthcare and becoming a model employer.

All service users and members of staff inclusive of age, disability, gender, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, sexual orientation and religion or belief are welcomed and celebrated at UHCW.

The relevant equality data is published annually on our website; additionally all policies, business cases and significant changes in the organisation are assessed for impact on protected characteristic groups in accordance with the Equality Act 2010.

Independent Advisory Group (IAG)

The Independent Advisory Group (IAG) acts as a source of expertise and reference point for the Trust on Equality, Diversity and Human Rights related matters.

The IAG continues to monitor progress against the equality agenda for the Trust. Due to the Covid-19 pandemic and the resurgence of the Black Lives Matter (BLM) movement the focus for this year has been to support our staff to overcome issues that negatively impact on their ability to carry out their duties and to support managers to keep their teams and themselves safe.

Workforce Race Equality Standard (RES) Workforce Disability Equality Standard (WDES)

Implementing the WRES and WDES is a requirement for NHS commissioners and NHS healthcare providers including independent organisations.

The WRES is designed to address disparities in the number of BAME (Black and Minority Ethnic) people in senior leadership positions across the NHS, as well as lower levels of wellbeing amongst the BAME population.

As well as providing support and advice regarding issues affecting BAME staff we have:

- Held a series of 'Black Lives Matter' (BLM) – Tackling Racial Inequality Listening Events where staff were able to 'tell their stories' to Chief Officers and Trust Board members
- Developed an action plan to address some of the key themes that emerged from the Listening Events
- Put in place a BLM Tackling Racial Inequality Co-Development group including Chief Officers, Non-Executive Trust Board members and staff of colour to look at addressing the systemic and cultural issues of racial inequality
- Held two webinars providing accurate information and dispelling the myths surrounding the Covid-19 vaccines

The WDES is designed to help us better understand the experiences of our disabled staff. It allows us to support positive change for existing employees, and enable a more inclusive environment for disabled staff.

As well as providing support and advice regarding issues affecting disabled staff we have commenced piloting of an innovative Double Robotics project funded by the WDES Innovation Fund. The project enables shielding and other remote staff to have a virtual presence in the work place in the hope of minimising isolation, prevent deskilling, support mental health and wellbeing. The findings of the project will be showcased early May 2021 and learning disseminated to other Trusts nationally.

Our staff networks for People of Colour, Disabled and LGBT (Lesbian, Gay, Bi-Sexual and Transgender) employees have been remarkably resilient and have continued to have a presence during these difficult times. The networks will contribute to planning and policy development so that we are able to provide the most appropriate services and recruit staff with a broad range of experience and skills.

Diverse Workforce

We endeavour to ensure that our recruitment practices do not unwittingly discriminate against any of the protected characteristics groups for example anonymous shortlisting of applicants. The tables below give an indication of the composition of the organisation at a senior level in terms of ethnicity and gender.

BAME	Band 8+, Clinical Directors & Medical Directors	All Others	Board Members	Grand Total
BME*	89	2,698	2	2,789
Not BME	439	5,838	10	6,287
Grand Total	**528**	**8,536**	**12**	**9,076**

* Includes not stated | Doctors are included in the All Others section

BAME	Band 8+, Clinical Directors & Medical Directors	All Others	Board Members	Grand Total
BAME*	16.86%	31.61%	16.67%	30.73%
Not BAME	83.14%	68.39%	83.33%	69.27%
Grand Total	**100%**	**100%**	**100%**	**100%**

* Includes not stated | Doctors are included in the All Others section

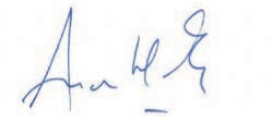
Gender	Band 8+, Clinical Directors & Medical Directors	All Others	Board Members	Grand Total
Female	350	6,838	7	7,195
Male	178	1,698	5	1,881
Grand Total	**528**	**8536**	**12**	**9076**

Doctors are included in the All Others section

Gender	Band 8+, Clinical Directors & Medical Directors	All Others	Board Members	Grand Total
Female	66.29%	80.11%	58.33%	79.28%
Male	33.71%	19.89%	41.67%	20.72%
Grand Total	**100%**	**100%**	**100%**	**100%**

Doctors are included in the All Others section

Signed



Chief Executive Officer, 19 June 2020

Part 5 Financial Statements

5.1 External Auditors Report

Independent auditor's report to the board of directors of University Hospitals Coventry and Warwickshire NHS Trust.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The University Hospitals Coventry and Warwickshire NHS Trust ("the Trust") for the year ending 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as of 31 March 2021 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to NHS Trusts in England and included in the Department of Health and Social Care Group Accounting Manual 2020/21.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Trust's business model and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or condition that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty inthis auditor's report is not a guarantee the Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud.

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit and Risk Assurance Committee and internal audit and inspection of policy documentation as to the Trust's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Trust's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve specific targets delegated to the Trust by NHS Improvement.
- Reading Board and Audit and Risk Assurance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reviewing the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk of incentive for revenue to be manipulated into the wrong period around the year end and the risk that Trust management may be in a position to make inappropriate accounting entries.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also identified a fraud risk related to expenditure recognition, particularly in relation to year end accruals.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting

documentation. These included combinations of seldom used accounts and postings to accounts linked to our identified fraud risks.
- Assessing significant estimates for bias.
- Inspecting transactions in the period prior to and following 31 March 2021 to verify revenue had been recognised in the correct accounting period.
- Inspecting transactions in the period prior to and following 31 March 2021 to verify expenditure had been recognised in the correct accounting period.
- Evaluating a sample of accruals posted as at 31 March 2021 and verifying accruals are appropriate and accurately recorded.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Trust's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Trust is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Trust is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. Under paragraph 2(1) of Schedule 5 to the National Health Service Act 2006 the Trust must ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to revenue account (the breakeven duty). In reporting on compliance with the breakeven duty the Trust is required to comply with the Department of Health and Social Care's 'Guidance on Breakeven Duty and Provisions',We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We are also required to make a referral to the Secretary of State under section 30(a) of the Local Audit and Accountability Act 2014 if we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

As outlined in the section of this report dealing with statutory reporting matters, we made a Section 30 referral to the Secretary of State on 15 June 2021.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing noncompliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Accountable Officer is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the

Department of Health and Social Care Group Accounting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Report

In our opinion the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2020/21.

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 45, the directors are responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on Page 44 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

Auditor's responsibilities

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

A fuller description of our responsibilities.

Report on other legal and regulatory matters

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

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

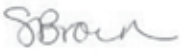
On 15 June 2021, we referred a matter to the Secretary of State under section 30 (1) (a) of the 2014 Act in relation to the breach of the Trust's five-year breakeven duty due to the cumulative deficit of 33.217 million as at 31 March 2021.

The purpose of our audit work and whom we owe our responsibilities

This report is made solely to the Board of Directors of The University Hospitals Coventry and Warwickshire NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Board of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Certificate of completion of the audit

We certify that we have completed the audit of the accounts of The University Hospitals Coventry and Warwickshire NHS Trust for the year ending 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.



Sarah Brown
for and on behalf of KPMG LLP
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
15 June 2021


SLIDE SHEETS
TOILETRIES

5.2 Annual Accounts

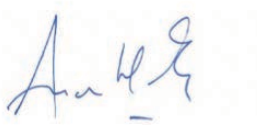
Statement of comprehensive income

	Note	2021/20 £000	2019/20 £000
Operating income from patient care activities	3	698,287	620,258
Other operating income	4	108,026	106,826
Operating expenses	6, 8	(771,150)	(702,340)
Operating surplus/(deficit) from continuing operations		**35,163**	**24,744**
Finance income	11	6	256
Finance expenses	12	(29,547)	(27,449)
PDC dividends payable		(2,710)	(19)
Net finance costs		**(32,251)**	**(27,212)**
Other gains / (losses)	13	490	315
Surplus / (deficit) for the year from continuing operations		**(3,402**	**(2,153)**
Surplus / (deficit) for the year		**3,402**	**(2,153)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(4,977)	(3,900)
Revaluations	15, 17	25,444	10,332
Total comprehensive income / (expense) for the period		**23,869**	**4,279**
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		3,402	(2,153)
Remove net impairments not scoring to the Departmental expenditure limit		236	2,834
Remove I&E impact of capital grants and donations		(2,942)	51
Remove 2018/19 post audit PSF reallocation (2019/20 only)			(626)
Remove net impact of inventories received from DHSC group bodies for Covid-19 response		(459)	
Adjusted financial performance surplus / (deficit)		**237**	**106**

Statement of Financial Position

		31 March 2021	31 March 2020
Note	**£000**	**£000**	
Non-current assets			
Intangible assets	14	5,122	5,167
Property, plant and equipment	15	379,632	342,363
Investment property	18	10,500	10,010
Receivables	20	34,905	36,760
Total non-current assets		**430,159**	**394,300**
Current assets			
Inventories	19	14,050	13,409
Receivables	20	39,832	75,804
Cash and cash equivalents	21	54,736	2,372
Total current assets		**108,618**	**91,585**
Current liabilities			
Trade and other payables	22	(78,903)	(60,008)
Borrowings	24	(8,063)	(122,982)
Provisions	26	(2,458)	(4,056)
Other liabilities	23	(6,739)	(6,999)
Total current liabilities		**(96,163)**	**(194,045)**
Total assets less current liabilities		**442,614**	**291,840**
Non-current liabilities			
Borrowings	24	(238,732)	(240,842)
Provisions	26	(2,863)	(2,393)
Total non-current liabilities		**(241,595)**	**(243,235)**
Total assets employed		**201,019**	**48,605**
Financed by			
Public dividend capital		195,899	67,354
Revaluation reserve		75,420	55,203
Income and expenditure reserve		(70,300)	(73,952)
Total taxpayers' equity		**201,019**	**48,605**

The accompanying notes on pages 84 to 135 form part of these financial statements.



Professor Andrew Hardy
Chief Executive Officer
'15 June 2021

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

	Public dividend capital	Revaluation reserve	Income and expenditure	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**67,354**	**55,203**	**(73,952)**	**48,605**
Surplus/(deficit) for the year	-	-	3,402	**3,402**
Impairments	-	(4,977)	-	**(4,977)**
Revaluations	-	25,444	-	**25,444**
Public dividend capital received	128,545	-	-	**128,545**
Other reserve movements	-	(124)	124	-
Taxpayers' and others' equity at 31 March 2021	**195,899**	**75,420**	**(70,300)**	**201,019**

Statement of Changes in Equity for the year ending 31 March 2020

	Public dividend capital	Revaluation reserve	Income and expenditure	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**65,585**	**48,895**	**(71,923)**	**42,557**
Surplus/(deficit) for the year	-	-	(2,153)	**(2,153)**
Impairments	-	(3,900)	-	**(3,900)**
Revaluations	-	10,332	-	**10,332**
Public dividend capital received	1,769	-	-	**1,769**
Other reserve movements	-	(124)	124	**-**
Taxpayers' and others' equity at 31 March 2020	**67,354**	**55,203**	**(73,952)**	**48,605**

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

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

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Statement of Cash Flows

	Note	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Operating surplus / (deficit)		35,163	24,744
Non-cash income and expense:			
Depreciation and amortisation	6.1	23,330	22,407
Net impairments	7	236	2,834
Income recognised in respect of capital donations	4	(3,259)	(249)
(Increase) / decrease in receivables and other assets		35,040	(4,854)
(Increase) / decrease in inventories		(641)	852
Increase / (decrease) in payables and other liabilities		15,811	2,809
Increase / (decrease) in provisions		(1,115)	(8,253)
Other movements in operating cash flows		-	(1)
Net cash flows from / (used in) operating activities		**104,565**	**40,289**
Cash flows from investing activities			
Interest received		6	256
Purchase of intangible assets		(1,156)	(1,263)
Purchase of PPE and investment property		(25,785)	(27,521)
Receipt of cash donations to purchase assets		1,102	249
Net cash flows from / (used in) investing activities		**(25,833)**	**(28,279)**
Cash flows from financing activities			
Public dividend capital received		128,545	1,769
Movement on loans from DHSC		(113,279)	19,728
Capital element of finance lease rental payments		(72)	(72)
Capital element of PFI, LIFT and other service concession payments		(9,275)	(4,276)
Interest on loans		(392)	(1,489)
Interest paid on finance lease liabilities		(5)	(10)
Interest paid on PFI, LIFT and other service concession obligations		(29,500)	(25,883)
PDC dividend (paid) / refunded		(2,390)	(425)
Net cash flows from / (used in) financing activities		**(26,368)**	**(10,658)**
Increase / (decrease) in cash and cash equivalents		**52,364**	**1,352**
Cash and cash equivalents at 1 April - brought forward		**2,372**	**1,020**
Cash and cash equivalents at 31 March	21.1	**54,736**	**2,372**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care 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 2020/21 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Note 1.2 Going concern

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

The Board of Directors has carefully considered the principle of 'Going Concern' in the context of the Trust continuing to operate under the HM Treasury's Financial Reporting Guidelines (FReM).
For the year ending 31 March 2021, the Trust is reporting a surplus of £237k on an adjusted financial performance (control total) basis, against a target of £636k deficit. In 2020/21, as a result of the NHS response to the Covid-19 pandemic, the NHS funding regime significantly changed. For the first six months of 2020/21, Income from Commissioners, which previously would have been governed by contract agreements, usually driven by activity levels, These were in effect pre-set values based on 2019/20 income levels with an inflationary uplift, ensuring the Trust knows, for 99% of its income, how much and when it will be paid. For additional costs or for loss of income caused by the revised regime, there has been a facility to request additional income via a 'top-up' process. The financial regime for the second half of 2020/21, changed again. Commissioner income blocks remained broadly unchanged, however the retrospective top up facility has been replaced with a system under which organisations must remain within a fixed level of income as set out at system level under an overall STP control total.

Historically, the Trust had a challenging control total underpinned by a large efficiency plan. Revenue support would be required to underpin any shortfall against control total. As part of the emergency financial regime, the Trust has been funded for all costs in 2020/21, thus allowing it to meet its Control total without the requirement to drawdown on revenue support. It is also worth noting that the NHS's approach to historical debt has changed during 2020/21. This has resulted in historic loan debt has been written off and converted to public dividend capital (PDC). Any future revenue support will be allocated as public dividend capital (PDC).
The Trust has a significantly higher cash balance than in prior years, the balance being £54.7m, on 31 March 2021. This higher cash balance reflects PDC drawdowns of approximately £14m, strong recovery of debtors and an increase in accrued expenditure, as well as high capital creditors due to capital programme timing slippages.
Historically the Trust has had very low levels of internally generated funds and therefore due to the high levels of PFI payments (principal repayments and contractual lifecycle contributions), this means that the Trust's capital programme is underpinned by public dividend capital (which includes £3.7m of loans approved in 2019/20 which has been utilised in 2020/21). A new approach to capital funding has being introduced in 2020/21, the main purpose of which is the allocation of a capital envelope for each STP/ICS.
This will provide greater clarity and confidence on the level of capital resource available, support system working and discussion on capital priorities, and enable faster access to national capital funding for critical safety issues. This is in line with the reforms set out in the Health Infrastructure Plan, to provide clearer and more transparent links between local spending plans and national spending limits.
Every ICS/STP received a 2020/21 capital spending envelope derived from the system-level allocation, with UHCW receiving a total system envelope of £29m in 2020/21.

The financial landscape for the first six months of 2021/22 continues to run under an emergency financial regime with block payments and specific top-ups covering the Trust's running costs. For the second part of the year, the financial regime is as yet undefined, however it's likely to start moving away from the emergency financial regime.
The Directors have concluded that whilst the financial position for 2021/22 is very challenging, based upon enquiries with NHS Improvement and the Department of Health and Social Care, they have a reasonable expectation that the Trust will have access to adequate resources (as in previous years) to continue in operational existence for the foreseeable future and continue to provide services to its patients. Based on this expected continuation of services,

the Trust continues to adopt the going concern basis in preparing the financial statements.

Note 1.3 Interests in other entities

The Trust has no interests in any other entities, associates or joint ventures.

Note 1.4 Revenue from contracts with customers

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

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

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows;

- The Trust does not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less.
- The Trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in the Standard, where the right to consideration corresponds directly with value of the performance completed to date.
- The FReM has mandated the exercise of the practical expedient offered in the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

Revenue from NHS contracts

The accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

2020/21

The main source of income for the Trust is contracts with commissioners for healthcare services. In 2020/21, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the Trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at a Sustainability and Transformation Partnership level. The related performance obligation is the delivery of healthcare and related services during the period, with the Trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Comparative period (2019/20)

In the comparative period (2019/20), the Trust's contracts with NHS commissioners included those where the Trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of healthcare was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld or where significant commissioner affordability issues exist, the Trust reflects this risk as a credit loss. Where the Trust is aware of a potential penalty based on contractual performance (including Commissioning for Quality and Innovation (CQUIN), the Trust reflects this as a provision for liabilities and charges.

The Trust does not receive income where a patient is readmitted within 30 days of discharge from a previous planned stay. This is considered an additional performance obligation to be satisfied under the original transaction price.

In 2019/20, the Provider Sustainability Fund and Financial Recovery Fund enabled providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pensions Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5 Other forms of income

Grants and donations

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

Apprenticeship service income

The value of the benefit received when 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 from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 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

Pension costs NHS Pension Scheme past and present employees are covered by the provisions of the two NHS Pension Schemes" but it still doesn't make sense due to "Pension costs" at the start. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care 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 though it is a defined contribution scheme: the cost to the Trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The 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.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably

- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual cost provided that they have a collective cost of at least £5,000.

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 lives.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

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

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

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust.

The Trust engaged Avison Young, a professional property valuer to undertake a desktop revaluation of its land, buildings, residences and investment properties as at 31st March 2021 in order to reflect current valuations of those assets. The valuer used national BCIS cost and tender price indices. Whilst this resulted in a net overall increase in asset values, some individual assets incurred impairment losses. The impact of the revaluation is reflected as appropriate in the Statement of Comprehensive Income including gains on investment assets, asset impairments (in excess of balances held in the revaluation reserve) and reversals of previous impairments charged to the Statement of Comprehensive income. The balance of the revaluation gain was credited to the revaluation reserve.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

Depreciation

Freehold land is considered to have an infinite life and is not depreciated, assets under construction or development and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively and assets held for sale cease to be depreciated upon the reclassification.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

Revaluation gains and losses

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

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met.

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
  - management are committed to a plan to sell the asset
  - an active programme has begun to find a buyer and complete the sale
  - the asset is being actively marketed at a reasonable price
  - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

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

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

Donated and grant funded assets

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

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment. In 2020/21 this includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

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

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual

unitary payment increase due to cumulative indexation (on the repayment of the liability and finance cost components of the unitary charge) is treated as contingent rent and is expensed as incurred. The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

The contributions to the lifecycle replacement of components of the asset are initially recorded as a prepayment. Subsequently, as components of the asset are replaced, the cost is transferred from prepayments and recognised in property, plant and equipment.

Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	5	60
Dwellings	4	36
Plant & machinery	5	35
Information technology	5	10
Furniture & fittings	5	25

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.10 Intangible assets

Recognition

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

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the following requirements as set out in IAS 38:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the Trust intends to complete the asset and sell or use it
- the Trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, e.g., the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

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

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Software licences	4	7

Note 1.11 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.

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

Note 1.12 Investment properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

Note 1.13 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.

Note 1.14 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

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

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

losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Further information on the basis for calculation of credit losses is provided at note 20.3.

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

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

Derecognition

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

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

Note 1.15 Leases

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

The Trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. he 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 implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment. The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

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

The Trust as a lessor

Finance leases

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

Operating leases

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

Note 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2021:

		Nominal rate
Short-term	Up to 5 years	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

	Inflation rate
Year 1	1.90%
Year 2	2.00%
Into perpetuit	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.95% in real terms.

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 26.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims, are charged to operating expenses when the liability arises.

Note 1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 27 where an inflow of economic benefits is probable.Contingent liabilities are not recognised, but are disclosed in note 34, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.18 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.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities except for:
(i) donated and grant funded assets,
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable; and
(iv) any specific income allocations (e.g. PSF incentive allocations) specifically excluded from the dividend calculation.

This policy is available at:
https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.19 Value added tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.20 Corporation tax

The Trust has determined that it has no corporation tax liability on the basis that it is an exempt health service body as provided for by sections 985 and 986 of the Corporation Tax Act 2010.

Note 1.21 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.22 Foreign exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction. Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise. Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.23 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.24 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. The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.25 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.26 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2020/21.

Note 1.27 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The Trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be defined by HM Treasury. Currently this rate is 0.91% but this may change between now and adoption of the standard.
The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments.
For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

The implementation date for IFRS 16 in the NHS was revised to 1 April 2022 in November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable. However, the Trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

Other standards, amendments and interpretations

IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

Note 1.28 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:

The most significant judgement around accounting policies has been the decision to account for the Trust's PFI hospital in the Statement of Financial Position. The key accounting standards used in assessing this were IFRIC 12, IFRIC 4, IAS 16 and IAS 17.

Note 1.29 Sources of estimation uncertainty

The following are assumptions about the 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:
Valuation of property, plant and equipment (see notes 7 and 16) is based upon an assessment undertaken by professional property valuers which by its nature includes an element of subjectivity. It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period.

Note 2 Operating Segments

The Trust Board is considered to be the chief operating decision maker of the organisation. The Trust Board is of the view that whilst it receives limited financial information broken down by division, the information received does not show the full trading position of that division. Furthermore the activities undertaken by these divisions have a high degree of interdependence and therefore the Trust Board has determined that is appropriate to aggregate these divisions for segmental reporting purposes.

The rationale for determining the chief operating decision maker and for aggregating segments is as follows:

Chief operating decision maker

International Financial Reporting Standard 8: Operating Segments; states that the chief operating decision maker will have responsibility for allocating resources and assessing the performance of the entity's operating segments.For the University Hospitals Coventry and Warwickshire NHS Trust, responsibility for these functions is set out in the Trust's Scheme of Reservation and Delegation. This document includes (amongst others) the following key decisions which are reserved to the Trust Board:

- The approval of strategies, plans and budgets;
- The agreement of the organisational structures, processes and procedures to facilitate the discharge of business by the Trust; and
- The monitoring and review of financial performance.

Consequently it has been determined that the Trust Board is the chief operating decision maker.

Operating segments

IFRS 8 sets out the criteria for identifying operating segments and for reporting individual or aggregated segmental data. The Trust Board has considered the requirements of IFRS 8 and whilst it does receive budgetary performance information at a specialty group level based upon groups of services (including for example medical specialties, surgical specialties etc.), this information is limited in that:

- Income is not currently regularly reported by specialty;
- Costs associated with any one specialty or service provided by the Trust are split across several specialty groups;
- Cross charging for services between specialty groups is not widely undertaken; and
- Many services provided by the Trust are not operationally independent.

In addition to the above key factors, consideration has also been given to the principles around aggregation of operating segments set out in IFRS 8 which concludes that segments may be aggregated if the segments have similar economic characteristics, and the segments are similar in each of the following respects:

The nature of the products and services:

- The services provided are very similar in that they represent the provision of healthcare to ill/vulnerable people. Furthermore many of the services are interconnected with care for an individual being shared across different specialties and departments.

The nature of the production processes:

- Services are provided in very similar ways (albeit to differing extents) to the majority of patients including outpatient consultations, inpatient care, diagnostic tests, medical and surgical interventions.

The type or class of customer for their products and services:

- The Trust's customers are similar across all services in that they are ill/vulnerable people – whilst certain patient groups may be more susceptible to different healthcare needs, most services are provided to customers of all ages, gender etc.

The methods used to distribute their products or provide their services:

- The majority of services are delivered to customers through attendance at hospital as outpatients, day cases or inpatients.

If applicable, the nature of the regulatory environment:

- The regulatory environment in which the Trust's services are provided is NHS healthcare.

The Trust Board has therefore concluded that further segmental analysis is not appropriate and that the specialty financial information should be aggregated for the purpose of segmental reporting.

Financial Performance Reporting

The Trust Board receives reports on the Trust's financial performance based upon the Statement of Comprehensive Income (or Net Expenditure) which is adjusted in accordance with HM Treasury rules on measuring financial performance. These adjustments are set out below the Statement of Comprehensive Income (or Net Expenditure) and in note 37, 38 relating to breakeven performance.

Income Sources

The Trust's main sources of income continue to be from NHS service commissioners as follows:

- Clinical Commissioning Groups (CCGs) from which £451.1 million (£390 million in 2019/20) was received; and
- NHS England from which £218.6 million (£215.6 million in 2019/20) was received

There are no other sources of income which exceed 10% of the Trust's total revenue. All income derives from services provided in England, although the source of a small part of this income will come from NHS bodies in other parts of the United Kingdom, the Isle of Man or from overseas visitors who are treated in the Trust's hospitals. However, income from such sources is not material.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)

	2020/21	2019/20
	£000	£000
Acute services		
Block contract / system envelope income*		
High cost drugs income from commissioners (excluding pass-through costs)	57,806	61,815
Other NHS clinical income	8,345	5,650
All services		
Private patient income	1,058	1,150
Additional pension contribution central funding**	17,932	16,859
Other clinical income	21,255	12,068
Total income from activities	**698,287**	**620,258**

*As part of the coronavirus pandemic response, transaction flows were simplified in the NHS and providers and their commissioners moved onto block contract payments at the start of 2020/21. In the second half of the year, a revised financial framework built on these arrangements but with a greater focus on system partnership and providers derived most of their income from these system envelopes. Comparatives in this note are presented to be comparable with the current year activity. This does not reflect the contracting and payment mechanisms in place during the prior year.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2020/21	2019/20
	£000	£000
Income from patient care activities received from:		
NHS England	218,572	215,634
Clinical commissioning groups	451,078	390,029
Department of Health and Social Care	63	77
Other NHS providers	20,201	4,770
NHS other	-	181
Local authorities	220	129
Non-NHS: private patients	1,058	1,180
Non-NHS: overseas patients (chargeable to patient)	455	1,559
Injury cost recovery scheme	4,165	4,881
Non NHS: other	2,475	1,818
Total income from activities	**698,287**	**620,258**
Of which:		
Related to continuing operations	698,287	620,258
Related to discontinued operations	-	-

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2020/21	2019/20
	£000	£000
Income recognised this year	455	1,559
Cash payments received in-year	195	412
Amounts added to provision for impairment of receivables	529	930
Amounts written off in-year	546	1,618

Note 4 Other operating income

	2020/21			2019/20		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	8,597	-	**8,597**	8,677	-	**8,677**
Education and training	23,322	-	**23,322**	23,597	-	**23,597**
Non-patient care services to other bodies	6,380		**6,380**	36,243		**36,243**
Provider sustainability fund (2019/20 only)			**-**	11,478		**11,478**
Financial recovery fund (2019/20 only)			**-**	13,710		**13,710**
Marginal rate emergency tariff funding (2019/20 only)			**-**	835		**835**
Reimbursement and top up funding	50,229		**50,229**			**-**
Income in respect of employee benefits accounted on a gross basis	3,625		**3,625**		3,763	**3,763**
Receipt of capital grants and donations		3,259	**3,259**		249	**249**
Charitable and other contributions to expenditure		9,450	**9,450**		517	**517**
Rental revenue from operating leases		1,261	**1,261**		1,279	**1,279**
Other income	1,903	-	**1,903**	6,478	-	**6,478**
Total other operating income	**94,056**	**13,970**	**108,026**	**104,781**	**2,045**	**106,826**
Of which:						
Related to continuing operations			**108,026**			**106,826**

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

This note regarding contract revenue (IFRS15) has now been deemed not material for reporting in 2020/21.

Note 6.1 Operating expenses

	2020/21	2019/20
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,804	2,180
Purchase of healthcare from non-NHS and non-DHSC bodies	5,097	5,431
Purchase of social care	-	-
Staff and executive directors costs	458,385	421,771
Remuneration of non-executive directors	178	147
Supplies and services - clinical (excluding drugs costs)	84,751	81,954
Supplies and services - general	10,537	2,270
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	63,268	62,188
Inventories written down	340	-
Consultancy costs	-	110
Establishment	8,274	9,566
Premises	30,075	16,688
Transport (including patient travel)	1,846	1,865
Depreciation on property, plant and equipment	22,129	21,125
Amortisation on intangible assets	1,201	1,282
Net impairments	236	2,834
Movement in credit loss allowance: contract receivables / contract assets	349	1,735
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	(1,333)	(8,597)
Change in provisions discount rate(s)	118	167
Audit fees payable to the external auditor		
audit services- statutory audit*	163	100
other auditor remuneration (external auditor only)	-	2
Internal audit costs	104	104
Clinical negligence	19,982	18,880
Legal fees	558	576
Insurance	407	342
Research and development	11,153	9,354
Education and training	7,034	5,701
Rentals under operating leases	1,731	1,367
Early retirements	-	-
Redundancy	-	-
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	38,653	40,836
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	-	-
Hospitality	31	-
Losses, ex gratia & special payments	76	561
Grossing up consortium arrangements	-	-
Other services, e.g. external payroll	-	-
Other	3,003	1,801
Total	**771,150**	**702,340**
Of which:		
Related to continuing operations	771,150	702,340
Related to discontinued operations	-	-

* Auditor remuneration for the statutory audit in 2020/21 was £113,250 excluding VAT (£99,700 in 2019/20). An additional fee for 2019/20 audit is also included which was £22,485 excluding VAT. The sums disclosed above include irrecoverable VAT.

Note 6.2 Other auditor remuneration

	2020/21	2019/20
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the Trust	-	-
2. Audit-related assurance services *	-	2
Total	**-**	**2**

* 2020/21: Nil, 2019/20: Audit related assurance services relate to review of the Trust's Quality Account (and include irrecoverable VAT)

Note 6.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2 million (2019/20: £2 million).

Note 7 Impairment of assets

	2020/21	2019/20
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Unforeseen obsolescence	448	218
Changes in market price	(212)	2,616
Total net impairments charged to operating surplus / deficit	**236**	**2,834**
Impairments charged to the revaluation reserve	4,977	3,900
Total net impairments	**5,213**	**6,734**

* 2020/21: This relates to equipment assets removed from operational use (2019/20: This relates to equipment assets removed from use).

** The Trust engaged a professional property valuer to undertake a desktop revaluation of land, buildings, residences and investment properties as at 31 March 2021 in order to reflect current valuations of those assets. This resulted in a net increase in values, part of which was credited to the Statement of Comprehensive Income as a reversal of previous impairments charged there. The balance of the revaluation gain was credited to the revaluation reserve.

Note 8 Employee benefits

	2020/21	2019/20
	Total	Total
	£000	£000
Salaries and wages	354,851	324,865
Social security costs	33,450	30,875
Apprenticeship levy	1,738	1,623
Employer's contributions to NHS pensions	58,077	54,340
Pension cost - other	142	66
Temporary staff (including agency)	19,425	19,688
Total gross staff costs	**467,683**	**431,457**
Recoveries in respect of seconded staff	(650)	(600)
Total staff costs	**467,033**	**430,857**
Of which		
Costs capitalised as part of assets	-	1,097

Note 8.1 Retirements due to ill-health

During 2020/21 there was one early retirement from the Trust agreed on the grounds of ill-health (2 in the year ending 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £69k (£106k in 2019/20).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

National Employment Savings Trust (NEST)

The Trust has joined the government operated (NEST) pension scheme to offer pensions to those staff who are not eligible to join the NHS pension scheme.

NEST is a defined contribution scheme and as such, the cost to the Trust of participating in the NEST scheme is equal to the contributions payable into the scheme in the relevant accounting period (see Note 8 Employee benefits).

Note 10 Operating leases

Note 10.1 University Hospitals Coventry And Warwickshire NHS Trust as a lessor

This note discloses income generated in operating lease agreements where University Hospitals Coventry And Warwickshire NHS Trust is the lessor.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	1,261	1,279
Contingent rent	-	-
Other	-	-
Total	**1,261**	**1,279**

Operating lease revenue relates to the lease of land to the operator of a private hospital and the lease of facilities to a medical school.

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	1,316	1,306
- later than one year and not later than five years;	2,708	2,441
- later than five years.	40,512	51,640
Total	**44,536**	**55,387**

Note 10.2 University Hospitals Coventry And Warwickshire NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where University Hospitals Coventry And Warwickshire NHS Trust is the lessee.

The majority of the Trust's operating leases are short term fixed price leases and include:

- Lease cars
- Equipment (including medical and office equipment)
- Premises

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	1,731	1,367
Contingent rents	-	-
Less sublease payments received	-	-
Total	**1,731**	**1,367**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	1,181	1,423
- later than one year and not later than five years;	3,590	4,161
- later than five years.	4,184	5,999
Total	**8,955**	**11,583**
Future minimum sublease payments to be received	-	-

Note 11 Finance income

Finance income represents interest received on assets and investments in the period.

	2020/21	2019/20
	£000	£000
Interest on bank accounts	6	256
Total finance income	**6**	**256**

Note 12.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2020/21	2019/20
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	55	1,550
Finance leases	5	10
Main finance costs on PFI and LIFT schemes obligations	13,803	14,115
Contingent finance costs on PFI and LIFT scheme obligations	15,697	11,767
Total interest expense	**29,560**	**27,442**
Unwinding of discount on provisions	(13)	7
Total finance costs	**29,547**	**27,449**

Note 13 Other gains / (losses)

	22020/21	2019/20
	£000	£000
Fair value gains / (losses) on investment properties	490	315
Total other gains / (losses)	**490**	**315**

The gains on investment properties resulted from a desktop revaluation undertaken by a professional property valuer as at 31 March in each year.

Note 14.1 Intangible assets - 2020/21

	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**12,169**	**12,169**
Additions	1,156	1,156
Valuation / gross cost at 31 March 2021	**13,325**	**13,325**
Amortisation at 1 April 2020 - brought forward	**7,002**	**7,002**
Provided during the year	1,201	1,201
Amortisation at 31 March 2021	**8,203**	**8,203**
Net book value at 31 March 2021	**5,122**	**5,122**
Net book value at 1 April 2020	**5,167**	**5,167**

Note 14.2 Intangible assets - 2019/20

	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**11,327**	**11,327**
Additions	842	842
Valuation / gross cost at 31 March 2020	**12,169**	**12,169**
Amortisation at 1 April 2019 - as previously stated	**5,720**	**5,720**
Provided during the year	**1,282**	**1,282**
Amortisation at 31 March 2020	**7,002**	**7,002**
Net book value at 31 March 2020	**5,167**	**5,167**
Net book value at 1 April 2019	**5,607**	**5,607**

Note 15.1 Property, plant and equipment - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - brought forward	**22,367**	**292,348**	**1,201**	**1,454**	**156,249**	**-**	**46,888**	**160**	**520,667**
Additions	-	5,609	-	4,785	24,603	-	4,170	-	**39,167**
Impairments	-	(9,947)	-	-	-	-	-	-	**(9,947)**
Reversals of impairments	-	5,182	-	-	-	-	-	-	**5,182**
Revaluations	-	(13,718)	(824)	-	-	-	-	-	**(14,542)**
Reclassifications	-	395	-	(839)	-	-	444	-	-
Disposals / derecognition	-	-	-	-	(5,688)	-	(3,983)	-	**(9,671)**
Valuation/gross cost at 31 March 2021	**22,367**	**279,869**	**377**	**5,400**	**175,164**	**-**	**47,519**	**160**	**530,856**
Accumulated depreciation at 1 April 2020 - brought forward	-	30,237	825	-	113,719	-	33,377	146	178,304
Provided during the year	-	8,899	25	-	10,554	-	2,651	-	**22,129**
Impairments	-	-	-	-	448	-	-	-	**448**
Revaluations	-	(39,136)	(850)	-	-	-	-	-	**(39,986)**
Disposals / derecognition	-	-	-	-	(5,688)	-	(3,983)	-	**(9,671)**
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**119,033**	**-**	**32,045**	**146**	**151,224**
Net book value at 31 March 2021	**22,367**	**279,869**	**377**	**5,400**	**56,131**	**-**	**15,474**	**14**	**379,632**
Net book value at 1 April 2020	**22,367**	**262,111**	**376**	**1,454**	**42,530**	**-**	**13,511**	**14**	**342,363**

Note 15.2 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**20,883**	**274,396**	**1,162**	**4,845**	**151,998**	**663**	**41,525**	**160**	**495,632**
Additions	-	5,524	-	756	6,624	-	4,835	-	**17,739**
Revaluations	1,484	8,809	39	-	-	-	-	-	**10,332**
Reclassifications	-	3,619	-	(4,147)	663	(663)	528	-	**-**
Disposals / derecognition	-	-	-	-	(3,036)	-	-	-	**(3,036)**
Valuation/gross cost at 31 March 2020	**22,367**	**292,348**	**1,201**	**1,454**	**156,249**	**-**	**46,888**	**160**	**520,667**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**15,124**	**796**	**-**	**104,690**	**268**	**32,458**	**145**	**153,481**
Provided during the year	-	8,603	23	-	11,579	-	919	1	**21,125**
Impairments	-	8,883	6	-	218	-	-	-	**9,107**
Reversals of impairments	-	(2,373)	-	-	-	-	-	-	**(2,373)**
Reclassifications	-	-	-	-	268	(268)	-	-	**-**
Disposals / derecognition	-	-	-	-	(3,036)	-	-	-	**(3,036)**
Accumulated depreciation at 31 March 2020	**-**	**30,237**	**825**	**-**	**113,719**	**-**	**33,377**	**146**	**178,304**
Net book value at 31 March 2020	**22,367**	**262,111**	**376**	**1,454**	**42,530**	**-**	**13,511**	**14**	**342,363**
Net book value at 1 April 2019	**20,883**	**259,272**	**366**	**4,845**	**47,308**	**395**	**9,067**	**15**	**342,151**

Note 15.3 Property, plant and equipment financing - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information etechnology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021								
Owned - purchased	22,367	34,031	377	5,270	23,316	15,388	14	**100,763**
Finance leased	-	-	-	-	6,042	-	-	**6,042**
On-SoFP PFI contracts and other service concession arrangements	-	243,505	-	-	24,090	-	-	**267,595**
Owned - donated/granted	-	2,333	-	130	2,683	86	-	**5,232**
NBV total at 31 March 2021	**22,367**	**279,869**	**377**	**5,400**	**56,131**	**15,474**	**14**	**379,632**

Note 15.4 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information etechnology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020								
Owned - purchased	22,367	32,253	376	1,414	17,508	13,475	14	87,407
Finance leased	-	-	-	-	177	-	-	177
On-SoFP PFI contracts and other service concession arrangements	-	228,174	-	-	24,193	-	-	252,367
Owned - donated/granted	**-**	**1,684**	**-**	**40**	**652**	**36**	**-**	**2,412**
NBV total at 31 March 2020	**22,367**	**262,111**	**376**	**1,454**	**42,530**	**13,511**	**14**	**342,363**

Note 16 Donations of property, plant and equipment

The Trust receives grants from charities for the purchase of donated capital assets - mainly medical and surgical equipment.

In 2020/21, the DHSC, as part of its response to the coronavirus pandemic provided assets relating to digital aspirant to the value of £2.157m

Note 17 Revaluations of property, plant and equipment

The Trust engaged Avison Young (UK) Ltd, a professional property valuer to undertake a desktop valuation of its land, buildings, residences and investment properties as at 31 March 2021 in order to reflect current valuations of those assets. The valuer used national BCIS cost and tender price indices. This resulted in a net increase in values, part of which was credited to the Statement of Comprehensive Income, as a reversal of previous impairments. The balance of the revaluation gain was credited to the revaluation reserve.

The valuation exercise was carried out with a valuation date of 31 March 2021. In the valuation exercise for the previous year, 2019/20, the valuer, applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), declared a 'material valuation uncertainty' in the valuation report. This was on the basis of uncertainties in markets caused by Covid-19. In the 2020/21 valuation, the valuer has not reported the valuation as subject to 'material valuation uncertainty' but for the avoidance of doubt has included a 'market conditions explanatory note' to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. The 'material conditions explanatory note' is to provide recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of Covid-19 by highlighting the importance of the valuation date.

The Valuer has noted the following in the final report of 2020/21:

The outbreak of Covid-19, declared by the World Health Organisation as a "Global Pandemic" on the 11 March 2020, has and continues to impact many aspects of daily life and the global economy - with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries, in some cases "lockdowns" have been applied to varying degrees and to reflect further "waves" of Covid-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

Note 18.1 Investment Property

	2020/21	2019/20
	£000	£000
Carrying value at 1 April - brought forward	**10,010**	**9,695**
Movement in fair value	490	315
Carrying value at 31 March	**10,500**	**10,010**

Note 18.2 Investment property income and expenses

	2020/21	2019/20
	£000	£000
Direct operating expense arising from investment property which generated rental income in the period	(332)	(321)
Direct operating expense arising from investment property which did not generate rental income in the period	(27)	(24)
Total investment property expenses	**(359)**	**(345)**
Investment property income	373	364

Note 19 Inventories

	31 March 2021	31 March 2020
	£000	£000
Drugs	4,396	4,431
Consumables	9,654	8,978
Total inventories	**14,050**	**13,409**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £109.99m (2019/20: £120,114k). Write-down of inventories recognised as expenses for the year were £340k (2019/20: £0k).

In response to the Covid-19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £9.2m of items purchased by DHSC.

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 20.1 Receivables

	31 March 2021 £000	31 March 2020 £000
Current		
Contract receivables	21,227	61,352
Allowance for impaired contract receivables / assets	(4,347)	(5,009)
Prepayments (non-PFI)	3,590	4,508
PFI lifecycle prepayments	13,083	13,404
PDC dividend receivable	136	456
VAT receivable	6,003	523
Other receivables	140	570
Total current receivables	**39,832**	**75,804**
Non-current		
Contract receivables	6,845	6,634
PFI lifecycle prepayments	27,981	30,126
Other receivables	79	-
Total non-current receivables	**34,905**	**36,760**
Of which receivable from NHS and DHSC group bodies:		
Current	11,581	53,276
Non-current	79	-

Note 20.2 Allowances for credit losses

	2020/21		2019/20	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**5,009**	**-**	**5,191**	-
New allowances arising	3,402	-	4,940	-
Reversals of allowances	(3,053)	-	(3,205)	-
Utilisation of allowances (write offs)	(1,011)	-	(1,917)	-
Allowances as at 31 Mar 2021	**4,347**	**-**	**5,009**	**-**

The Trust's policy for the impairment of receivables is as follows:

- Injury cost recovery income: subject to a provision for impairment of receivables of 21.79% as per DHSC guidance
- Overseas visitors: invoices from 1/4/15 are subject to a 50% provision
- NHS commissioner receivables: individually assessed and an appropriate provision made where a risk of non-payment (due to disputes/queries/affordability) exists
- Other receivables: future credit losses are estimated by calculating historic one year recovery rates for other categories of receivables by age profile

Note 20.3 Exposure to credit risk

The majority of the Trust's revenue comes from contracts with other public sector bodies and therefore the Trust would normally have low exposure to credit risk. However, in the challenging financial environment in which the NHS is currently operating, significant risks exist to the recoverability of receivables due to disputes and queries raised on invoices and issues concerning affordability to NHS commissioners. Therefore the Trust has provided for these risks based upon an assessment of the risk for its main NHS commissioners. Furthermore, the Trust charges significant sums to overseas patients who have received urgent care, however, the income from such patients is in effect underwritten by its local CCG commissioner. In 2021/22, this value has been fixed and is included within the contractual blocks received from UHCW commissioners. Having recorded this income, the current outstanding debt has a maximum exposure to risk of 100% and, given the high risk of non-recovery from overseas patients where charges are not collected at the time of treatment, the Trust provides for 100% of these receivables.

Injury cost recovery income is subject to a provision for impairment of receivables of 21.98% as per DHSC guidance.

For other receivables, future credit losses are estimated by calculating historic one year recovery rates for specific categories of receivables by age profile. The level of provisions for receivables as at 31 March 2021 are based on the following average percentages for outstanding invoices by age category:

Outstanding invoices aged 0 - 30 days	6%
Outstanding invoices aged 31 - 60 days:	3%
Outstanding invoices aged 61 - 90 days:	5%
Outstanding invoices aged 91 - 180 days:	7%
Outstanding invoices aged over 180 days:	4%

Note 21.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2020/21	2019/20
	£000	£000
At 1 April	**2,372**	**1,020**
Net change in year	52,364	1,352
At 31 March	**54,736**	**2,372**
Broken down into:		
Cash at commercial banks and in hand	45	28
Cash with the Government Banking Service	54,691	2,344
Total cash and cash equivalents as in SoFP	**54,736**	**2,372**
Total cash and cash equivalents as in SoCF	**54,736**	**2,372**

Note 21.2 Third party assets held by the Trust

University Hospitals Coventry And Warwickshire NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the Trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2021	31 March 2020
	£000	£000
Bank balances	43	47
Total third party assets	**43**	**47**

Note 22.1 Trade and other payables

	31 March 2021	31 March 2020
	£000	£000
Current		
Trade payables	8,881	12,333
Capital payables	4,590	1,766
Accruals	57,925	36,911
Social security costs	244	1,525
VAT payables	80	160
Other taxes payable	737	1,524
Other payables	6,446	5,789
Total current trade and other payables	**78,903**	**60,008**
Of which payables from NHS and DHSC group bodies:		
Current	4,590	10,310

Note 22.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2021	31 March 2020
	£000	£000
- to buy out the liability for early retirements over 5 years	-	-
- number of cases involved	-	-

Note 23 Other liabilities

	31 March 2021 £000	31 March 2020 £000
Current		
Deferred income: contract liabilities	6,739	6,999
Total other current liabilities	**6,739**	**6,999**

Note 24.1 Borrowings

	31 March 2021 £000	31 March 2020 £000
Current		
Loans from DHSC	908	113,634
Obligations under finance leases	377	72
Obligations under PFI, LIFT or other service concession contracts	6,778	9,276
Total current borrowings	**8,063**	**122,982**
Current		
Loans from DHSC	2,670	3,560
Obligations under finance leases	5,652	94
Obligations under PFI, LIFT or other service concession contracts	230,410	237,188
Total non-current borrowings	**238,732**	**240,842**

* On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21, the majority of existing DHSC interim revenue and capital loans as at 31 March 2020 were extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £112,388k interim loan principal and £332k interest accrual (capital £20,053k principal and £25k interest and revenue support £92,335k principal and £307k interest) are classified as current liabilities within these financial statements. This is because the repayment of these loans will be funded through the issue of PDC.

Note 24.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2020	**117,194**	**166**	**246,464**	**363,824**
Cash movements:				
Financing cash flows - payments and receipts of principal	(113,279)	(72)	(9,275)	(122,626)
Financing cash flows - payments of interest	(392)	(5)	(13,804)	(14,201)
Non-cash movements:				
Additions	-	5,935	-	5,935
Application of effective interest rate	55	5	13,803	13,863
Carrying value at 31 March 2021	**3,578**	**6,029**	**237,188**	**246,795**

Note 24.3 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2019	**97,408**	**238**	**250,739**	**348,385**
Cash movements:				
Financing cash flows - payments and receipts of principal	19,728	(72)	(4,276)	15,380
Financing cash flows - payments of interest	(1,489)	(10)	(14,114)	(15,613)
Non-cash movements:				
Application of effective interest rate	1,547	10	14,115	15,672
Carrying value at 31 March 2020	**117,194**	**166**	**246,464**	**363,824**

Note 25 Finance leases

Note 25.1 University Hospitals Coventry And Warwickshire NHS Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	31 March 2020	31 March 2019
	£000	£000
Gross lease liabilities	**7,227**	**176**
of which liabilities are due:		
- not later than one year;	527	77
- later than one year and not later than five years;	1,952	99
- later than five years.	4,748	-
Finance charges allocated to future periods	(1,198)	(10)
Net lease liabilities	**6,029**	**166**
of which payable:		
- not later than one year;	377	72
- later than one year and not later than five years;	1,454	94
- later than five years.	4,198	-
Total of future minimum sublease payments to be received at the reporting date	-	-
Contingent rent recognised as expense in the period	-	-

The Trust has entered into a significant lease for the Combined Heat and Power Plant during 2020/21 for £5,935k. This will provide energy to the Trust with energy efficiency savings. The lease term is 15 years.

Note 26.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2020	**1,152**	**1,438**	**183**	**3,676**	**6,449**
Change in the discount rate	19	99	-	-	118
Arising during the year	99	403	73	1,767	2,342
Utilised during the year	(123)	(71)	(39)	(50)	(283)
Reversed unused	-	-	(77)	(3,215)	(3,292)
Unwinding of discount	(6)	(7)	-	-	(13)
At 31 March 2021	**1,141**	**1,862**	**140**	**2,178**	**5,321**
Expected timing of cash flows:					
- not later than one year;	142	77	140	2,099	2,458
- later than one year and not later than five years;	578	314	-	12	904
- later than five years.	421	1,471	-	67	1,959
Total	**1,141**	**1,862**	**140**	**2,178**	**5,321**

- Early departure costs are pensions relating to former staff are based upon actuarial estimates and are reviewed annually. Payments are made quarterly to the NHS Pensions Agency in respect of the Trust's liability.
- Injury benefits are payable by the NHS Pensions Agency and recharged to the Trust.
- Legal claims relate to employers'/third party liability claims. Cost estimates and timings are provided by the NHS Litigation Authority.
- Other provisions include: other employee related claims and contractual disputes.

Note 26.2 Clinical negligence liabilities

At 31 March 2021, £181,802k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of University Hospitals Coventry and Warwickshire NHS Trust (31 March 2020: £141,663k).

Note 27 Contingent assets and liabilities

	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities		
NHS Resolution legal claims	62	83
Gross value of contingent liabilities	**62**	**83**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**62**	**83**
Net value of contingent assets	**-**	**-**

Note 28 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	1,074	2,667
Intangible assets	24	92
Total	**1,098**	**2,759**

Note 29 On-SoFP PFI, LIFT or other service concession arrangements

The Trust has entered into a PFI contract for the construction, operation and maintenance of a major acute hospital along with the provision of a significant proportion of medical and other equipment required for use in the hospital. The PFI contractor is also responsible for the provision of a number of services including estate maintenance, certain equipment maintenance and the provision of hotel / soft services to a required Trust specification. These services include catering, domestic, laundry / linen, portering, transport, switchboard, help desk, car parking and security. In addition as part of the PFI contract these services are also provided to the existing Hospital of St Cross.

The PFI consortium includes:

1. Principal contract party with the Trust, is Coventry & Rugby Hospital Company (CRHC)
2. Coventry & Rugby Hospital Company have contracts with:
   a. Hard FM – Vinci Facilities
   b. Soft FM – ISS Mediclean whose current contract is market tested under the PFI contract every seven years
   c. Equipment – GE Medical Systems

The PFI contract terminates on 31st December 2042 at which point ownership of the buildings and equipment provided under the contract passes to the Trust for no additional consideration.

The PFI contract terminates on 31st December 2042 at which point ownership of the buildings and equipment provided under the contract passes to the Trust for no additional consideration.

The PFI contract is a tripartite contract involving the provision of a University Hospital for UHCW NHS Trust, and also incorporates a Mental Health facility for Coventry and Warwickshire Partnership NHS Trust, all of which are on the same NHS PFI site and jointly contracted with CRHC.

Inflation on the PFI Unitary Payment is twofold. All costs except Soft FM pay are based upon the movement in the Retail Prices Index (RPI) over the previous 12 months on a February to February basis. Soft FM pay uplift is based mainly on Agenda for Change as a result of the Retention of Employment model being used, where the majority of staff are in effect seconded by the Trust to the soft services provider but remain on NHS conditions of service.

	31 March 2021 £000	31 March 2020 £000
Gross PFI, LIFT or other service concession liabilities	**421,892**	**444,971**
Of which liabilities are due		
- not later than one year;	20,092	23,079
- later than one year and not later than five years;	71,524	74,680
- later than five years.	330,276	347,212
Finance charges allocated to future periods	(184,704)	(198,507)
Net PFI, LIFT or other service concession arrangement obligation	**237,188**	**246,464**
- not later than one year;	6,778	9,276
- later than one year and not later than five years;	21,380	23,247
- later than five years.	209,030	213,941

Note 29.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**1,876,988**	**1,940,552**
Of which payments are due:		
- not later than one year;	86,298	85,299
- later than one year and not later than five years;	345,193	341,196
- later than five years.	1,445,497	1,514,057

Note 29.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2020/21 £000	2019/20 £000
Unitary payment payable to service concession operator	**84,245**	**85,146**
Consisting of:		
- Interest charge	13,803	14,115
- Repayment of balance sheet obligation	9,275	4,275
- Service element and other charges to operating expenditure	38,653	40,836
- Capital lifecycle maintenance	3,570	-
- Contingent rent	15,697	11,767
- Addition to lifecycle prepayment	3,247	14,153
Total amount paid to service concession operator	**84,245**	**85,146**

Note 31 Financial instruments

Note 31.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS organisation has with commissioners and the way those commissioners are financed, the NHS organisation is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS organisation has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing University Hospitals Coventry And Warwickshire NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors, rather than being held to change the risks facing University Hospitals Coventry And Warwickshire NHS Trust in undertaking its activities.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the NHS Trust Development Authority. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with clinical commissioning groups and NHS England, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 31.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	20,456	20,456
Cash and cash equivalents	54,736	54,736
Total at 31 March 2021	**75,192**	**75,192**

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	63,062	63,062
Cash and cash equivalents	2,372	2,372
Total at 31 March 2020	**65,434**	**65,434**

Note 31.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	3,578	3,578
Obligations under finance leases	6,029	6,029
Obligations under PFI, LIFT and other service concession contracts	237,188	237,188
Trade and other payables excluding non financial liabilities	77,826	77,826
Provisions under contract	2,318	2,318
Total at 31 March 2021	**326,939**	**326,939**

Carrying values of financial liabilities as at 31 March 2010	Held at amortisedcost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	117,194	117,194
Obligations under finance leases	166	166
Obligations under PFI, LIFT and other service concession contracts	246,464	246,464
Trade and other payables excluding non financial liabilities	51,009	51,009
Provisions under contract	3,417	3,417
Total at 31 March 2020	**418,250**	**418,250**

Note 31.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2021	31 March 2021 restated*
	£000	£000
In one year or less	101,639	191,276
In more than one year but not more than five years	75,325	78,453
In more than five years	335,990	347,212
Total	**512,954**	**616,941**

* This disclosure has previously been prepared using discounted cash flows. The comparatives have therefore been restated on an undiscounted basis.

Note 32 Losses and special payments

	2020/21		2019/20	
Total number	**Total value of cases**	**Total number of cases**	**Total value of cases**	**of cases**
	Number	**£000**	**Number**	**£000**
Losses				
Cash losses	17	9	16	6
Bad debts and claims abandoned	301	586	581	1,641
Stores losses and damage to property	6	155	1	30
Total losses	**324**	**750**	**598**	**1,677**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	1	1
Ex-gratia payments	15	2	18	4
Extra-statutory and extra-regulatory payments	-	-	1	3
Total special payments	**15**	**2**	**20**	**8**
Total losses and special payments	**339**	**752**	**618**	**1,685**
Compensation payments received		-		-

* The bad debts recorded above mainly relate to the provision of urgent/emergency care to overseas visitors and cases range from £26 to £46,005.

Note 33 Related parties

The Department of Health and Social Care is regarded as a the Trust's parent department. During the year University Hospitals Coventry and Warwickshire NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

Those entities with which the Trust has had material transactions are listed below:

- South Warwickshire NHS Foundation Trust
- University Hospitals of Derby and Burton NHS Foundation Trust
- George Eliot Hospital NHS Trust
- NHS Coventry and Rugby CCG
- NHS Northamptonshire CCG
- NHS South Warwickshire CCG
- NHS Warwickshire North CCG
- NHS West Leicestershire CCG
- NHS England
- Health Education England
- NHS Resolution (formerly NHS Litigation Authority)
- HM Revenue & Customs - Other taxes and duties and NI contributions
- NHS Pension Scheme

In addition, the Trust also undertakes transactions with other government/public sector bodies and those with material transactions are listed below:

- HM Revenue and Customs
- National Health Service Pension Scheme
- Coventry City Council

Professor Kumar, Non-Executive Director of the Trust holds the position of Dean of Warwick Medical School which is part of the University of Warwick. He is also a non-executive director and vice chair of NHS Digital.Professor Guy Daly is Deputy Vice-Chancellor (Education and Students) at Coventry University which provides training for nursing and other healthcare professionals. Two directors of the Trust and two senior managers of the Trust were also trustees of University Hospitals Coventry and Warwickshire Charity during 2020/21. The charity is independent from the Trust which has the right to appoint four of the nine trustees of the charity. During the course of 2020/21, Trust appointed trustees of the charity have remained in the minority of the charity's trustees.

Revenue and expenditure with other bodies outside Whole Government Accounts (WGA) includes the University of Warwick and the University Hospitals Coventry and Warwickshire Charity are as follows:

	Revenue	Expenditure
	£000	£000
University of Warwick	909	5369
University Hospitals Coventry and Warwickshire Charity	546	0

Note 34 Better Payment Practice code

Non-NHS Payables	2020/21 Number	2020/21 £000	2019/20 Number	2019/20 £000
Total non-NHS trade invoices paid in the year	108,852	441,754	114,933	419,534
Total non-NHS trade invoices paid within target	99,209	407,663	103,497	388,740
Percentage of non-NHS trade invoices paid within target	91.1%	92.3%	90.0%	92.7%
NHS Payables				
Total NHS trade invoices paid in the year	4,001	130,833	4,135	107,181
Total NHS trade invoices paid within target	2,429	117,841	1,771	92,786
Percentage of NHS trade invoices paid within target	60.7%	90.1%	42.8%	86.6%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 35 External financing limit

The Trust is given an external financing limit against which it is permitted to underspend

	2020/21 £000	2019/20 £000
Cash flow financing	(46,445)	15,797
External financing requirement	**(46,445)**	**15,797**
External financing limit (EFL)	(13,993)	17,167
Under / (over) spend against EFL	**32,452**	**1,370**

Note 36 Capital Resource Limit

	2020/21 £000	2019/20 £000
Gross capital expenditure	40,323	18,581
Less: Donated and granted capital additions	(3,259)	(249)
Charge against Capital Resource Limit	**37,064**	**18,332**
Capital Resource Limit	40,677	21,560
Under / (over) spend against CRL	**3,613**	**3,228**

Note 37 Breakeven duty financial performance

	2020/21 £000
Adjusted financial performance surplus / (deficit) (control total basis)	237
IFRIC 12 breakeven adjustment	2,873
Breakeven duty financial performance surplus / (deficit)	**3,110**

Note 38 Breakeven duty rolling assessment

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		10,234	4,162	1,465	1,916	214	(16,900)
Breakeven duty cumulative position	2,558	12,792	16,954	18,419	20,335	20,549	3,649
Operating income		465,211	472,923	484,816	509,163	528,881	550,196
Cumulative breakeven position as a percentage of operating income		**2.7%**	**3.6%**	**3.8%**	**4.0%**	**3.9%**	**0.7%**

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	(9,129)	703	(15,713)	(25,011)	9,175	3,110
Breakeven duty cumulative position	(5,481)	(4,778)	(20,491)	(45,502)	(36,327)	(33,217)
Operating income	585,157	608,790	630,651	668,046	727,084	806,313
Cumulative breakeven position as a percentage of operating income	**(0.9%)**	**(0.8%)**	**(3.2%)**	**(6.8%)**	**(5.0%)**	**(4.1%)**

The amount in the above table in respect of financial year 2008/09 (and earlier) has not been restated to IFRS and remains on a UK GAAP basis.

The Trust has breached its 5 year break even duty at 31 March 2021. The value of cumulative deficit for the period of 2016/17 to 2020/21 is £27.8M. The Trust plans to recover this will be linked to the control total mechanism and future development of system plans.

NHS
University Hospitals Coventry and Warwickshire
NHS Trust

University Hospital
Clifford Bridge Road, Coventry, West Midlands, CV2 2DX

Hospital of St Cross, Rugby
Barby Road, Rugby, CV22 5PX

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Inspected and rated
Good
Care Quality Commission

NHS
University Hospitals Coventry and Warwickshire
NHS Trust

Quality Account
2020/2021

Quality Accounts 2020/21

Contents

A Welcome from our Chief Executive Officer

Foreword - Andy Hardy, Chief Executive Officer

Welcome to our Quality Account for 2020-21. This report highlights the quality of our services during the past 12 months and aims to give you a greater understanding of the Trust, our achievements and the ways in which we will continue to identify and implement further improvements.

University Hospitals Coventry and Warwickshire (UHCW) NHS Trust is one of the largest hospitals in the region offering both general and specialist services across our two hospital sites, University Hospital, Coventry and the Hospital of St Cross, Rugby. In February 2020, the Trust received an overall rating of 'Good' from the Care Quality Commission. This was achieved through hard work and commitment from all of our staff.

Throughout 2020-21, the COVID-19 pandemic impacted on all our lives and made the NHS work in a way that it has never done before. Changes to processes, pathways and how we care for different cohorts of patients changed rapidly and, in some cases, overnight. UHCW NHS Trust continued to listen to the patient voice, recognising more than ever that this was pivotal in ensuring such change was successful and that we were providing the best experience we could. Responses via our feedback routes have been positive and it remains the case that behaving in a caring, compassionate and responsive manner is what continues to matter the most to the people we provide healthcare for. Indeed, in a recent survey, 97 per cent of participants told us that they felt safe and secure in our care despite the uncertainties that inevitably come with a global pandemic.

It goes without saying that everyone here is extremely proud of being part of history, with the Trust administering the first COVID-19 vaccine outside of clinical trials anywhere in the world and playing a pivotal role in the biggest vaccination campaign in the NHS' history. The Trust was also recognised for its 'incredible work' by Coventry City Council and is set to be granted Freedom of Entry to the City of Coventry. In January 2021, the Duchess of Cambridge, Patron of the Nursing Now campaign, spoke to nurses from a range of different roles across the Trust about their experiences during the pandemic and why their profession is so important.

UHCW NHS Trust remains committed to providing high-quality care with the best possible clinical outcomes and experiences for our patients. This will remain our focus through the coming year and will be particularly important as we look ahead to not only restoring our services but also as we advance and improve them.

Our sights are also firmly set on reducing patient waiting lists, with an aim to return to the pre-pandemic figure of zero patients waiting more than 52 weeks for treatment.

There will undoubtedly be further challenges presented to us over the next year, particularly as we seek to reduce health inequalities, but I am confident we are in a position to meet these head on. We hope to build upon the culture of continuous improvement established by working closely with our partners to develop the Integrated Care System across Coventry and Warwickshire, develop a Quality Strategy over the coming year and establish a new Organisational Strategy that will continue to firmly position UHCW NHS Trust as a world class leader in healthcare for the next five years and beyond.

The information contained within this report has been subject to internal review. Therefore, to the best of my knowledge, the information contained within this document reflects a true and accurate picture of the performance of the Trust.

I would like to thank all our staff, volunteers and patient support groups for their input and support during an extremely challenging year and look forward to continuing to work together as part of our ongoing improvement journey.

Andy Hardy
Chief Executive Officer

Quality Account Improvement Priorities 2020-21 Achievements

Quality Account Improvement Priorities 2020-21 Achievements

Below are details of our progress and achievements against the Quality Improvement Priorities for 2020- 21, as outlined in last year's 2019-20 Quality Account.

Priority One: Patient Safety

The Trust will improve Multi-Disciplinary Team communication with patients on all adult inpatient wards and be innovative in its approach in line with COVID-19 social distancing measures.

Achievements:

- A project began in Care of the Elderly in 2020 to implement a new function (Boardview). Boardview enables the multi-disciplinary team to monitor and improve the way patients are supported through the system ensuring that each day in hospital is beneficial to that individual and that they are getting the investigations and input that they need.
- The Trust now collects discharge data on a weekly basis to demonstrate the number of morning discharges, this encourages ward teams to be compliant and helps identify areas requiring improvement.
- In addition to the implementation of Boardview, Patient Flow Liaison Officers are now present on 12 wards (mostly Medicine, including Care of the Elderly) Their role is to support the board rounds identifying expected date of discharge within the next 24 hours and planning swabs and/or medications etc to enable patients to go home earlier in the day.
- The adoption of the Standard Operating Procedure for managing emergency surgical patient referrals into the Surgical Assessment Unit has resulted in a significant shift in current practice within the Surgical Group, Emergency Department and supporting specialties. The process ensures professional standards are maintained including timely review of all General Surgery, Vascular, Urology, Ears, Nose and Throat and Maxillofacial patients by involving Advanced Clinical Practitioners to receive patient referrals, alongside the General Surgical Registrars and Specialty Middle Grades.

Priority Two: Clinical Effectiveness

The Trust will ensure it delivers high standard infection control practice and procedures delivered through active campaigns, staff training and education and patient and carer engagement while also adhering to all national COVID-19 guidance.

Achievements:

- A twice-weekly Infection Control and Prevention Safety Huddle has been established to improve communication, awareness, and two-way flow of key messages regarding Infection Control and Prevention. Area staff (Clinical Educators, or staff nominated directly by Modern Matrons) attend a short briefing twice a week, and are able to raise concerns and queries directly with a Senior Infection Control and Prevention Nurse.
- A modified, Covid-secure programme of education has been designed for implementation in 2021, led by a Senior Infection Control and Prevention Nurse. Staff will be provided with links to online e-learning resources, Trust developed teaching packs, Microsoft Teams sessions, and members of the Infection Control and Prevention Team will conduct one-to-one training on key Infection Control and Prevention topics as identified by area staff, Modern Matrons, and feedback from routine and additional audits and/or incidents.
- The Trust carried out an Infection Prevention and Control COVID-19 Feedback Survey twice in 2020 to help the Trust understand more about our patient's perceptions about coming into the hospital during a pandemic. Based on this the survey questions covered areas including: information received pre admission, signage in public areas, cleanliness, availability of alcohol gel and/or hand washing facilities and thoughts about overall experience.
  The Trust Board was pleased to hear that 97% of these respondents felt safe and secure during their hospital experience. The survey was repeated and again 97% of these participants overall felt safe and secure.

Priority Three: Patient Experience

The Trust will work in partnership with patients and carer's in planning adult patient discharges from hospital.

Achievements:

- A Discharge to Assess Model pilot has been implemented whereby patients are taken to their own homes to be assessed by a health professional who can identify what care is needed going forward and identify any equipment needs if necessary. This allows people to get home with the right support in place more efficiently and effectively from their hospital stay.
- Everyday meetings take place to assess the situation in regards to what may be the barriers of patients being discharged from hospital. UHCW NHS Trust works closely with system wide partners who include, care homes, community services etc to ensure patients can be discharged safely and in a timely manner which benefits them. An agreed discharge document which outlines the escalation procedure if challenges to discharge occurs has been agreed between UHCW NHS Trust and local authorities in Coventry, Warwickshire, Derbyshire, Leicestershire, Lincolnshire and Nottinghamshire.
- Communication between the Trust and local care homes has improved with daily calls following discharge and a contact number and email address provided for them to call in hours with any queries regarding individual patients.
- Patient information and letters that need to be provided to patients and/or relatives is available for all staff on a dedicated COVID-19 portal, with plans for this information to be made available on the Trust's website in the next 12 months.

Quality Improvement Priorities for 2021-22

Quality Improvement Priorities for 2021-22

Priorities for 2021-2022 have been developed together with representatives from UHCW NHS Trust's Patient Partners, Healthwatch Coventry, Healthwatch Warwickshire, Grapevine, Coventry Refugee and Migrant Centre, Carers Trust, Diabetes UK Coventry, Voluntary Action Coventry, and members of staff.

The priorities identified for 2021 -22 are:

Patient Safety Priority

In line with the National Patient Safety Strategy, UHCW NHS Trust will engage with creating Patient Safety Partners (PSPs) to be involved at all levels of our organisations from wards to the board. The Trust will embed the Framework for Involving Patients in Patient Safety which aims to involve patients and their careers in their own safety, as well as being partners, alongside staff, in improving patient safety within our organisation.

UHCW NHS Trust will aim to include two PSPs on their safety-related clinical governance committees and these PSPs will receive training to support them in their roles in line with the national programme.

The measures of success in accordance with the Patient Safety National Strategy will be;

- Service and pathway design - Patients should be involved in service and pathway design, even if it is not always practical for a PSP to be involved. If patient representatives identify patient safety concerns, they may seek advice from a PSP on how to address this with relevant staff members in the service redesign team.
- Safety governance - PSPs will contribute and add value to safety governance by, for example, sitting on relevant committees to support compliance monitoring, responding to safety issues, reviewing data and reports, and providing appropriate challenge to ensure learning and change. PSPs will be most effective where at least two sit on safety committees together to provide peer support.
- Strategy and policy - PSPs will ensure patients' perspectives are considered and provide valuable insights on the risks to patients; for example, where transitions in care and integration of care pathways are being considered.

Clinical Effectiveness Priority

UHCW NHS Trust aims to improve communication to demonstrate that care and treatment is based on national guidance and the best available evidence. The priority therefore for the coming year is to improve how the Trust evidences the implementation of National Institute for Health and Care Excellence (NICE) guidance to demonstrate when NICE guidance has improved services and assess the impact of challenges to the implementation of some recommendations.

To achieve this, the Trust will improve the communication of new and available evidence from organisations such as NICE and will use this guidance to assess itself in terms of the delivery of services. By doing this the Trust will be able to clearly identify areas for quality improvement in services for patients by planning with clinical services to meet national recommendations and to assess the impact on the effectiveness of treatment where national recommendations cannot be fully implemented.

Improvements in this process will involve better use of existing resources and tools, and clearer benchmarking against national quality standards using quality improvement methods such as clinical audit.

Patient Experience Priority

Speaking with our Patient Partners, the Trust will develop priorities to help ensure that the voice of our patients is heard with a particular focus on underrepresented groups in order to:

- Shape and design the services that we provide.
- Improve care experiences for all of our patients.
- Close the healthcare gap for under-represented groups to improve the prevention and management of health for these communities.

To measure this priority the Patient Experience Team will work to improve the recording of demographics in more detail. Capturing people's demographics is essential if the Trust is going to make improvements for under-represented communities. Improved recording of demographics such as ethnicity across our patient administration systems will also extend to other processes such as introducing demographic monitoring into Complaints and the Patient Advice and Liaison Service (PALS). This will ensure trends are identified for all of the protected characteristics which include; age, disability, gender assignment, race, ethnicity, religion and/ or belief, sex and sexual orientation and improvements can be developed and implemented where required.

Finally, the Patient Experience Team will be undertaking a focused project on tackling health inequalities by engaging with our staff and communities. An engagement programme will be drawn up with an emphasis on how we improve experiences for our patients.

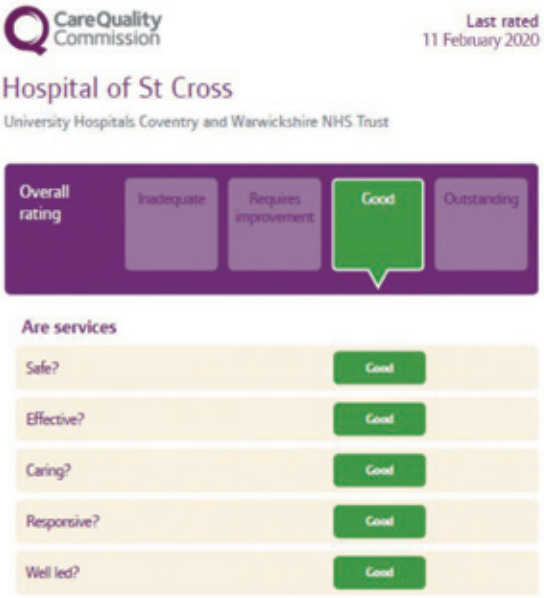
Series 7 of Hospital on BBC2 was filmed at UHCW from February to June 2021 and demonstrates the incredible compassion and care given by our staff during the pandemic.

UHCW NHS Trust achieves a Care Quality Commission (CQC) rating of Good

UHCW NHS Trust achieves a Care Quality Commission (CQC) rating of Good

UHCW NHS Trust remains rated as Good after the most recent inspection in October and November 2019. This is testament to the improvements made since our previous inspections, the impact of our UHCWi programme, the professional way we support patients and the dedication shown to providing the highest standards of care.

Since the CQC inspection we have made a number of improvements to our services based on recommendations from the CQC report and we continue to have regular contact with the CQC through provider engagement meetings, providing assurance of how our services have progressed to improve patient care and experience.



Review of Services

During 2020-21, the Trust was commissioned by Clinical Commissioning Groups to provide 57 General Acute Services. In addition the Trust also provides a range of specialised services which are commissioned by NHS England that fall within NHS England's Programmes of Specialised Care. The Trust has reviewed the quality of care of all of these services, with its Commissioners, in accordance with its contractual obligations.

Data Security and Protection Toolkit

The Data Security and Protection Toolkit is an online assessment tool that enables organisations to measure their compliance against the law and central guidance and to assess whether information is handled correctly and protected from unauthorised access, loss, damage and destruction. It is also the key performance measure against data security and Information Governance requirements which reflect current legislation and national health and social care policies. The Data Security and Protection Toolkit is split into 10 sections against the National Data Guardian's 10 Data Security Standards. Currently the Data Security and Protection Toolkit functionality allows organisations to publish a 'Standards Met' or 'Standards Not Met' rating where evidence has been provided for the mandatory assertions and confirmed them complete.

The Data Security and Protection Toolkit is split into 10 sections against the National Data Guardian's 10 Data Security Standards. It comprises of 42 assertions; 37 of the assertions are mandatory and are the focus of the assessment for 2020-21.UHCW NHS Trust has met all 37 of the assertions, and achieved a 'Standards Met' rating for 2020-21 (as of 1st April 2021).

Participation in Clinical Audits

During 2020-2021, 60 national clinical audits and one national confidential enquiry took place relating to health services that the Trust provides. During that period the Trust participated in 100% of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in. Details of the eligible audits applicable to UHCW during 2020-2021 are listed in the table below. Where data collection was completed during 2020-2021 this is indicated with a green tick, 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.

Eligible audits applicable to UHCW NHS Trust as published in the Department of Health's Quality Account List	Did UHCW NHS Trust participate in 2020/2021	Participation 2020-21
Antenatal and Newborn National Audit Protocol 2019 to 2022	✔	100%
British Association of Urological Surgeons (BAUS): Nephrectomy Audit	✔	100%
British Association of Urological Surgeons (BAUS): Bladder Outflow Obstruction Audit	✔	100%
British Association of Urological Surgeons (BAUS): Cytoreductive Radical Nephrectomy Audit	✔	100%
British Association of Urological Surgeons (BAUS): Female Stress Urinary Incontinence Audit	✔	100%
British Association of Urological Surgeons (BAUS): Radical Prostatectomy Audit	✔	100%
British Association of Urological Surgeons (BAUS): Cystectomy	✔	100%
British Association of Urological Surgeons (BAUS): Percutaneous Nephrolithotomy (PCNL)	✔	100%
British Association of Urological Surgeons (BAUS): Renal Colic Audit	✔	100%
British Association of Urological Surgeons (BAUS): Urethroplasty Audit	✔	100%
British Spine Registry	✔	94%
Case Mix Programme (Adult critical care)	✔	100%
Child Health Clinical Outcome Review Programme (National Confidential Enquiry into Patient Outcome & Death (NCEPOD))	✘	No studies conducted nationally during 2020-21
Emergency Medicine Quality Improvement Programmes (QIPs), Royal College of Emergency Medicine (RCEM): Fractured Neck of Femur (care in emergency departments)	✔	94%
Emergency Medicine Quality Improvement Programmes (QIPs), Royal College of Emergency Medicine (RCEM): Infection control	✔	96%
Emergency Medicine Quality Improvement Programmes (QIPs), Royal College of Emergency Medicine (RCEM): Pain in Children (care in emergency departments)	✔	No studies conducted nationally during 2020-21
Falls and Fragility Fractures Audit Programme (FFFAP): National Audit of Inpatient Falls	✔	100%

Eligible audits applicable to UHCW NHS Trust as published in the Department of Health's Quality Account List	Did UHCW NHS Trust participate in 2020/2021	Participation 2020-21
Falls and Fragility Fractures Audit Programme (FFFAP): National Hip Fracture Database (NHFD)	✔	100%
Inflammatory Bowel Disease (IBD) Audit	✔	100%
Learning Disabilities Mortality Review Programme (LeDeR)	✔	100%
Mandatory Surveillance of HCAI	✔	100%
Maternal, Newborn and Infant Clinical Outcome Review Programme (Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries across the UK (MBRRACE-UK)) - previously Confidential Enquiry into Maternal and Child Health (CEMACH)	✔	100%
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD): Dysphagia in Parkinson's Disease Study	✔	100%
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP): Paediatric Asthma Secondary Care	✔	Data currently being validated, participation expected to be 100%
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP): Adult Asthma Secondary Care	✔	100% for the data period between 1 Nov 2020 to 31 March 2021 (nationally mandated data period 2020-21)
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP): Chronic Obstructive Pulmonary Disease (COPD) Secondary Care	✔	100% for the data period between 1 Nov 2020 to 31 March 2021 (nationally mandated data period for 2020-21)
National Audit of Breast Cancer in Older Patients (NABCOP)	✔	100%
National Audit of Cardiac Rehabilitation	✔	100%
National Audit of Care at the End of Life (NACEL)	✘	National body cancelled data collection for 2020-21
National Audit of Dementia (NAD): Carer Questionnaire	✘	National body cancelled data collection for 2020-21
National Audit of Seizures and Epilepsies in Children and Young People (Epilepsy 12)	✘	National body confirmed data submission not mandated for 2020-21
National Bariatric Surgery Registry (NBSR)	✔	100%
National Cardiac Arrest Audit (NCAA)	✔	100%
National Cardiac Audit Programme (NCAP): Cardiac Rhythm Management (CRM) (Cardiac Arrhythmia)	✔	100%
National Cardiac Audit Programme (NCAP): Myocardial Ischaemia National Audit Project (MINAP)	✔	100%
National Cardiac Audit Programme (NCAP): Adult Cardiac Surgery Audit (CABG and Valvular Surgery)	✔	Data collection still in progress, data submission due 30 June 2021, participation expected to be 100%

Eligible audits applicable to UHCW NHS Trust as published in the Department of Health's Quality Account List	Did UHCW NHS Trust participate in 2020/2021	Participation 2020-21
National Cardiac Audit Programme (NCAP): National Audit of Percutaneous Coronary Interventions (PCI) (Coronary Angioplasty) (Adult Cardiac Interventions Audit)	✔	100%
National Cardiac Audit Programme (NCAP): National Heart Failure Audit	✔	Data collection still in progress, data submission due 30 June 2021, participation expected to be 100%
National Comparative Audit of Blood Transfusion Programme: 2020 Audit of the Perioperative Management of Anaemia in Children Undergoing Elective Surgery	✘	National body cancelled data collection during 2020-21
National Diabetes Footcare Audit (NDFA)	✘	National body suspended data collection during 2020-21
National Diabetes Inpatient Audit (NaDIA)	✔	100%
National Diabetes Inpatient Audit (NaDIA) Harms	✔	100%
National Core Diabetes Audit (NDA)	✔	Data currently being validated, participation expected to be 100%
National Diabetes Transition	✔	100%
National Pregnancy in Diabetes Audit (NPID)	✔	100%
National Early Inflammatory Arthritis Audit (NEIAA)	✔	100%
National Emergency Laparotomy Audit (NELA)	✔	100%
National Gastro-intestinal Cancer Audit Programme (NGICAP): National Oesophago-gastric Cancer Audit (NAOGC)	✔	100%
National Gastro-intestinal Cancer Audit Programme (NGICAP): National Bowel Cancer Audit (NBOCA)	✔	100%
National Joint Registry (NJR)	✔	100%
National Lung Cancer Audit (NLCA)	✔	100%
National Maternity and Perinatal Audit (NMPA)	✔	100%
National Neonatal Audit Programme (NNAP)	✔	100%
National Ophthalmology Database Audit	✔	100%
National Paediatric Diabetes Audit (NPDA)	✔	Data currently being validated, participation expected to be 100%
National Prostate Cancer Audit (NPCA)	✔	100%
National Vascular Registry (NVR)	✔	Data collection still in progress, data submission due 18 June 2021, participation expected to be 100%
Neurosurgical National Audit Programme	✔	100%
Perioperative Quality Improvement Programme (PQIP)	✔	100%
Sentinel Stroke National Audit Programme (SSNAP)	✔	80% - 90%* (Estimation given as final participation to be validated)

Eligible audits applicable to UHCW NHS Trust as published in the Department of Health's Quality Account List	Did UHCW NHS Trust participate in 2020/2021	Participation 2020-21
Serious Hazards of Transfusion (SHOT)	✔	100%
Society for Acute Medicine Benchmarking Audit (SAMBA)	✘	National body cancelled data collection for 2020-21
Surgical Site Infection Surveillance	✔	100%
Trauma Audit & Research Network (TARN) (Major Trauma Audit)	✔	100%
UK Cystic Fibrosis Registry	✔	100%
UK Registry of Endocrine and Thyroid Surgery	✔	Data collection still in progress, data submission due July 2021, participation expected to be 100%
UK Renal Registry	✔	100%

There are 12 clinical audits included in the Quality Account list published by the Department of Health in which the Trust did not participate due to ineligibility. Of these 12 audits, UHCW NHS Trust does not provide the relevant service in eight audits and four audits are not applicable to Acute Trusts.

National Clinical Audits – Key Actions Taken in 2020-2021

The information below provides brief summaries of some of the key actions the Trust has taken to improve the quality of healthcare as a result of the review of national clinical audit reports:

- Increase oversight of patient observations by senior clinicians within the Emergency Department on daily medical rounds to ensure all relevant observations have been undertaken and documented as appropriate.

- Improve the management of diabetes for adults and young people with the development of an educational programme provided to all Type 1 Diabetic patients, to provide guidance on living with Diabetes and promote healthy life styles. Also, a young diabetes clinic aimed at teenagers has been created to help those diabetic patients transition from Paediatric Diabetic services to Adult Diabetic Services.

- All children attending the Children Emergency Department have the appropriate observations (Paediatric Observation Priority Score (POPS) and Paediatric Early Warning Score (PEWS) on triage to ensure patients are seen by the correct clinician. Also, admission paperwork within the Children's Emergency Department includes a section to record if the child has had any analgesia administrated prior to attending the Emergency Department. This is to ensure patients are not over prescribed analgesia during their stay within the Emergency Department.

- Increased training and awareness of the Sepsis Toolkit in regards to children has been provided to clinical staff. This is to ensure patients presenting with symptoms of sepsis are identified quickly via observations and tests (POPS and PEWS) and receive timely treatment.

- A new Delirium Assessment Tool and Care Bundle has been implemented to increase staff knowledge and ensure those presenting with delirium symptoms are cared for appropriately.

Data Quality

A number of the requirements of the Data Security and Protection Toolkit encompass data quality. To ensure that we meet the required standards, the Data Quality Team provides training and advice to users of the Patient Administration System. This system is used to record information about patients to support the provision of patient care and data submissions.

A suite of data quality reports for data reported both internally and externally are routinely produced. These are reviewed, with areas of concern highlighted and appropriate actions taken to put right any issues. The Trust submitted records from 2020-21 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 between April 2020 to December 2020, which included the patient's valid NHS number was:

- 99.6% for admitted patient care
- 99.9% for outpatient care
- 96.8% for accident and emergency care

The percentage of records in the published data between April 2020 to December 2020 which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care
- 100% for outpatient care
- 99.8% for accident and emergency care

Data quality is high on the Trust's agenda to improve patient safety and experience. To further support this agenda and improve data quality the following work streams are embedded:

- A Data Quality Assurance Group is held on a reoccurring basis to provide assurance that there is a consistent approach to reviewing and monitoring compliance of the Data Quality Policy across the Trust.
- Published Data Quality Policy and Data Quality Framework.
- Standard Operational Procedures for administrative duties developed with comprehensive training packages.
- A Data Quality Dashboard is available Trust-wide to act as one central platform for data quality compliance metrics, validations and publication of national data standards.

Learning from Deaths

UHCW NHS Trust has an in-depth mortality review process that supports the national guidance on Learning from Deaths published in 2017. For each patient admitted to hospital aged 18 and above who dies, an initial review of their care is undertaken and graded according to the standard of care they received.

A secondary structured judgment review is conducted by an appropriate consultant or team if potential problems in care have been identified in the initial review process. This is to encourage learning from patient outcomes and identify where improvements in services can be made. The medical examiner supports the medical certification of death process and reviews the records of patients that have died to identify immediate learning or problems in care that require further scrutiny. The service also supports bereaved families and carers through the bereavement service.

The number of deaths of inpatients who have died during 2020-2021 (year to date) is 2001. The number of in hospital deaths of patients over the age of 18 per quarter is illustrated below.

2020/2021	Number of Deaths	Number of reviews completed	Number of secondary reviews completed
2020/2021	**2001**	**1453**	**96**
Q1	513	469	31
Q2	377	337	31
Q3	579	409	30
Q4	532	238	4

(Data correct at 17/03/2021)

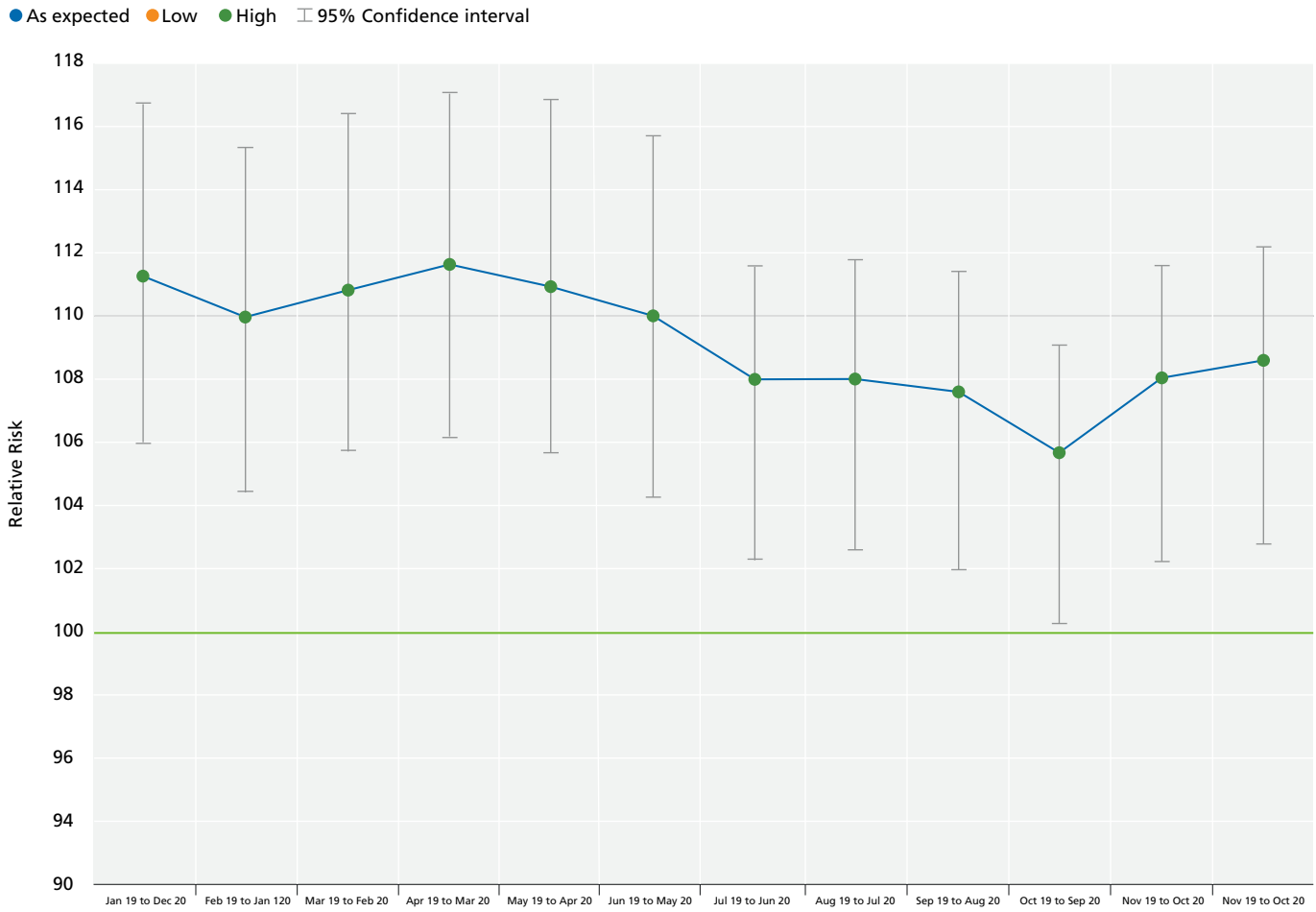
Mortality outcomes data- Summary Hospital-level Mortality Indicator (SHMI) and Hospital standardised mortality ratio (HSMR)

- University Hospitals Coventry and Warwickshire NHS Trust uses the national Hospital Standardised Mortality Ratio and Summary Level Hospital Indicator, which measure mortality in terms of the number of patients who die following a hospital stay at the Trust and the number that would be expected to die based on the average population and the characteristics of the patients.

- Both SHMI and HSMR are not definitive measures of quality of care. They act as a warning system for deviance from the 'norm' and can provide indication for areas to investigate. SHMI uses a benchmark of 1 to monitor performance. The HSMR uses a benchmark of 100 to monitor performance. When the score is significantly above or below the benchmark, this is identified as higher or lower than expected range.

Indicator: SHMI Mortality Rates [source: NHS Digital]	UHCW Most recent rolling 12 month period	Highest reported	Lowest reported]
SHMI value	1.1093 Band 2 (within expected range)	1.1775 Band 1	0.6782 Band 3
Observed deaths	2735	6445	495
Expected deaths	2465	6815	565
HSMR value Dec 2019- November 2020	*109.2 Higher than expected	NA	NA

Diagnoses -HSMR | Mortality (in hospital) | Dec 2019 - Nov 2020 | Trend (rolling 12 months)
Admission type Non-elective



Graph: UHCW NHS Trust HSMR performance trend over 12 months

The Trust intends to continue to take the following actions to improve this position, and so the quality of its services:

- Palliative care is important to the Trust as it focuses on providing patients with relief from the symptoms, pain and stress of a serious illness. The national average for palliative care coding during this time is 4.4%. The Trust continues to monitor its position against the national average as an indicator of the delivery of palliative care services.
- The Trust has delivered improvements in the recording, identification and treatment of Sepsis for both inpatients and those in the Emergency Department.
- The Trust routinely investigates diagnosis groups with higher than expected mortality to ensure data quality and review clinical care for areas of improvement and learning. This compliments the Trust policy to review deaths of all inpatients over the age of 18 years.

COVID-19 mortality
UHCW NHS Trust recorded the first COVID-19 related death on the 22nd March 2020. The cumulative total number of observed deaths related to COVID-19 until the 22 March 2021 is 702.

The Trust monitors deaths related to COVID-19 through the Mortality Review Committee and learning from the Mortality Review Process is shared at the committee and within the clinical areas quality improvement and patient safety meetings. All patients have an initial mortality review and a further structured judgment review where required.

Perinatal and Paediatric mortality
Child deaths in hospital are reviewed by the Paediatric Team and reported to the child death overview panel and mortality review committee. All perinatal deaths receive a mortality review using the national tools provided in the Perinatal Mortality Review Tool (PNMRT) and are reported to MBRRACE- UK: Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries. Learning from Perinatal and Paediatric mortality is shared at the Mortality Review Committee and across the organisation.

Patient Reported Outcome Measures (PROMS)

The NHS Outcomes Framework is a set of indicators developed by the Department of Health and Social Care to monitor the health outcomes of adults and children in England. The framework provides an overview of how the NHS is performing. There are five domains within the national NHS outcomes framework. These are areas of performance for which there are agreed national indicators.

The Trust provides information to NHS Digital which, in turn, provides us with a comparison against other Trusts. By publishing these figures you can compare our performance with the best, the worst and the average performing trusts in the NHS.

Below shows the results for enhancing quality of life for people with long-term conditions from the past few years. Please note data is not available for 2020-21 in line with national reporting and the impact of COVID-19:

Indicator: Patient Reported Outcome Measures Scores (PROMS) [source: NHS Digital]	2018-19 Provisional	2019-20 Apr-Sep provisional	2020-21 Apr-Sep provisional	National Average 2020-21 Apr-Sep provisional	Lowest and Highest Reported Trust Average 2020-21 Apr-Sep provisional
Hip replacement surgery	0.435	0.509	Data not yet available	Data not yet available	Data not yet available
Knee Replacement surgery	0.339	0.284	Data not yet available	Data not yet available	Data not yet available

Emergency Readmissions

Below shows the results for helping people to recover from episodes of ill health or following injury. Please note data is not available for 2020-21 in line with national reporting and the impact of COVID-19:

Related NHS Outcomes Domain 3

Indicator: emergency readmissions to hospital [source: NHS Digital, UHCW]	Year	UHCW	NHS England Average	Lowest Reported Trust	Highest Reported Trust
The percentage of patients aged 0 to 15 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	2019-20	8.83	*	*	*
	2020-21	Data not yet available	Data not yet available	Data not yet available	Data not yet available
the percentage of patients aged 16 or over 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	2019-20	6.93	*	*	*
	2020-21	Data not yet available	Data not yet available	Data not yet available	Data not yet available

*Indicates the information is not available on the NHS Digital portal. There is an ongoing review by NHS Digital of Emergency Readmissions that has been on hold during the pandemic. During the review this indicator is designated as an experimental statistic. Consequently, the information for emergency readmissions included above is reported as per the previous definition.

Positive Experience

Another of the domains within the national NHS outcomes framework the Trust measures against is ensuring that people have a positive experience of care, shown below. Please note data is not available for 2020-21 in line with national reporting and the impact of COVID-19:

Related NHS Outcomes Domain 4

Indicator: A positive experience of care [source NHS Digital]	2018-19	2019-20	2020-21	National Average 2020-21	Lowest and Highest Reported Trust
The Trust's responsiveness to the personal needs of its patients during the reporting period.	65.3	64.4	Data not yet available	Data not yet available	Data not yet available
The percentage of staff employed by, or under contract to, the trust during the reporting period who said if a friend or relative needed treatment they would be happy with the standard of care provided by this organisation	76%	74%	Data not yet available	Data not yet available	Data not yet available

Complaints

During 2020 - 2021 the Trust received 356 formal complaints, of those already received by the Trust 97% were responded to within 25 working days of receipt. The total number of formal complaints has reduced from previous years due to a system wide pause in complaint responses during the COVID-19 pandemic and improvements in the initial triage of complaints.

Parliamentary and Health Service Ombudsman (PHSO)

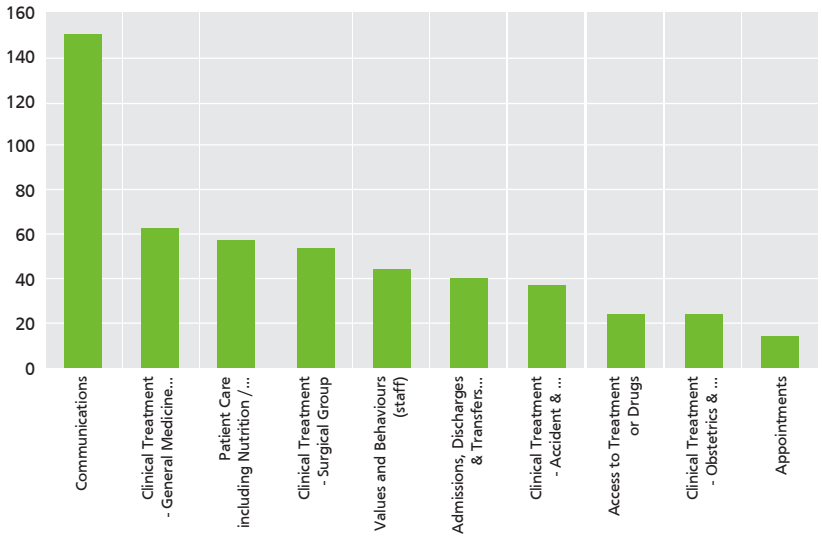
- 19 new requests received in 2020-2021.

Year by year complaints received by UHCW NHS Trust:

Total Number of Complaints	2016-17	2017-18	2018-2019	2019-2020	2020-2021
University Hospital, Coventry	570	619	641	545	283
Hospital of St. Cross, Rugby	35	27	35	31	19
Other	1	4	4	14	54
Totals	**606**	**650**	**680**	**590**	**356**
Referred to the PHSO	30	19	4	7	19

The top five themes of formal complaints received are shown in the graph below:

Complaints by Subjects - Top 10



Communications was the most complained about subject in 2020-21. In order to share themes of complaints received, Complaint Officers meet with Group representatives on a weekly basis. Themes are also communicated to Groups in monthly Quality Improvement Patient Safety meetings alongside other committees such as; the Nursing and Midwifery Committee and the Hospital of St Cross Quality meeting. Outside these committees and meetings, emerging and/ or immediate action themes from complaints received are escalated in real time to the relevant groups and forums.

Patient Insight and Involvement

National changes for hospital inpatient visiting due to COVID 19 resulted in many relatives and visitors being unable to directly contact their loved ones, and vice versa. Recognising the importance for patients to stay in touch with friends and family outside of the hospital, an initiative was introduced called 'Thinking of You' to enable friends and family of patients to send a letter and photos to their loved ones on our wards by completing a simple form on the Trust's website. To date over 2000 messages have been delivered to patients by the Patient Insight and Involvement Team, supported by the Patient Advice and Liaison Service (PALS) at University Hospital, Coventry and the Hospital of St Cross, Rugby.

Virtual visiting was also introduced. The initiative was implemented with support from the UHCW Charity and Warwick Medical School to ensure that two dedicated iPads were delivered to each of our wards, where patients were supported to access video calling to speak with their friends and family.

The PALS service continued to operate throughout the COVID-19 pandemic moving to a virtual service in the initial phases. This enabled the Trust to continue to provide a responsive support to our patients and visitors alongside escalation of themes to ensure the organisation received real time feedback on our patient's experiences.

The Trust also recognised that it was important to continue to survey our patients in such unprecedented times in order to be able to respond to our patient's needs and the changing environment. NHS England and Improvement suspended the Friends and Family Test survey in April 2020, however the Trust continued to collect this feedback to ensure the changes we were making in response to COVID-19 still kept the patient at the heart of everything we do. The Patient Insight and Involvement Team also led on the COVID Infection Control and Prevention Survey outlined on page four of this Account. Other surveys the Patient Insight and Involvement Team has undertaken on behalf of the Trust include; Outpatient Did Not Attend (DNA), Theatres DNA, Hospital of St Cross Theatre surveys and the Trust has continued to support NHS England and Improvements National Survey Programme as well in our commitment to always listening and acting upon the patient's voice. Patient Stories have been shared with Trust Board virtually throughout 2020-21 to ensure lessons are being continually learnt about people's experiences in a number of departments throughout the COVID-19 pandemic.

For further information please access the Complaints and PALS Annual Report on the Trust's website: www.uchw.nhs.uk which will be available from July 2021.

Reducing Infection

Related NHS Outcomes Domain 5

Indicator: Reducing Infection [source NHS Digital]	2018-19†	2019-20#	2020-21	National Average	Lowest to Highest Reported Trust
The rate per 100,000 bed days of cases of Clostridiodes difficile infection reported within the trust amongst patients aged 2 or over during the reporting period. †The Trust is deemed responsible for a case where the sample was taken on the fourth day or later of an admission to that trust (where the day of admission is day one). # From 2019/20 a case is considered to be healthcare associated if it is diagnosed from a sample taken from an inpatient after the second day of admission, or if the patient has been an inpatient in the trust at any point in the 28 days prior to the sample being taken.	8.9	17.9	22.2	*	*

*National averages are not available from PHE until mid-July. It will then be available on the PHE website.

The Trust recognises effective Infection Prevention and Control (IPC) is central to keeping our patients, visitors, and staff safe. We strive to ensure every patient is afforded high standards of IPC and that the primary consideration in delivery of care is safety.

Teamwork
We follow a board to ward approach in embedding IPC practice, with the Director of IPC currently our Chief Nurse, ensuring board level responsibility, supported by our Deputy Director of IPC, the Deputy Chief Nurse, and a multi-disciplinary IPC team headed up by a Senior Lead Nurse.

During 2020-21 we have developed an IPC Service to strengthen and widen IPC knowledge and skill transfer across the Trust, establishing roles including IPC Clinical Leads within our Clinical Groups, offering training and mentoring to develop IPC Guardians across all staff groups within the Trust, and maintaining strong links with microbiology and virology colleagues. An IPC Safety Huddle has been established to improve communication, awareness, and two-way flow of key messages regarding IPC, particularly relevant during COVID-19.

Infections
The reduction of healthcare associated infections including Clostridiodes difficile (C.diff) and Methicillin Resistant Staphylococcus Aureus (MRSA) bacteraemia remains a priority. In partnership with healthcare professionals across the health economy, the Trust is committed to a zero tolerance ambition to eliminate all avoidable healthcare associated infections (HCAI).

In 2020-21 the Trust reported 68 cases of C.diff and zero cases of MRSA. A review of all C.diff cases is undertaken with Clinical Commissioners for assurance.

Coronavirus (COVID-19)
The IPC Team has been actively involved in the Trust response to COVID-19, from Personal Protective Equipment (PPE) training, guidance and information for staff and visitors, to environmental cleaning management and establishment of services.

What we said we would do 2020-21
Hand hygiene
A review of our process for teaching and measuring hand hygiene technique and performance in practice has allowed us to provide assurance that all staff are offered training on how and when to perform hand hygiene, and that we can measure the effectiveness of staff hand hygiene in accordance to the World Health Organisation's Five Moments campaign.

Increase patient involvement
The IPC Team has actively worked with the patient engagement group to ensure the feedback of patients is heard, particularly in regards to COVID-19. The information provided is supporting the restoration of the Trust in creating a welcoming, safe environment for patients and visitors.

Plans for 2021-22:
- Build on the Trust's learning from the pandemic to ensure IPC remains at the heart of all Trust activity, with widening participation with patient and public groups, and community settings.
- Roll out Team Green 2020+ Programme across the Trust to create sustained improvement.
- Perform a 360 review of our hand hygiene monitoring process to ensure it remains fit for purpose.
- Maintain our surveillance of alert organisms.

Incident Reporting

Indicator: Incident reporting [source NRLS]	Apr 18 - Sep 18	Oct 19 - March 20*	National Median (Acute non-specialist Trusts) 2019-2020	Lowest and Highest reported Trusts 2019-2020
The number of Patient Safety Incidents reported within the Trust in the reporting period	9,328	8,919	5.854	Lowest: 1271 Highest: 22,340
Rate of Patient Safety Incidents reported within the Trust in the reporting period (per 1000 bed days)	47.64	45.66	49.1	Lowest: 15.7 Highest: 110.2
The number of such incidents that resulted in severe harm or death	31	34	15	Lowest: 0 Highest: 113
**Percentage of such Patient Safety Incidents that resulted in severe harm or death	0.3% (0.2% plus 0.1%)	0.4%	0.3%	1.7%

*Next Incident reporting [source NRLS], to be reported September 2021

The Trust is required to report all incidents nationally via The National Reporting and Learning System. There is an eligibility criteria for upload data from all NHS trusts, which excludes Patient Safety Incidents relating to deaths which are 'Not as a Result of a Patient Safety Incident', for example, where the incident did not contribute to the outcome for the patient. The reporting of all incidents is encouraged across the Trust regardless of the degree of harm and Datix training is provided to staff across the Trust to support in the identification of immediate learning and sharing of learning at Safety Huddles. The last 12 months have seen a decrease in the reporting of Patient Safety Incidents (PSIs) from 18,571 to 16,635; however, there is no evidence of potential under-reporting within the Trust.

At UHCW NHS Trust, all reported incidents are investigated according to the type of incident and their potential for harm. All incidents that resulted in moderate harm or above were reviewed and responded to by the Patient Safety Response Team, to identify immediate learning, support staff and stop the line on any immediate safety issues.

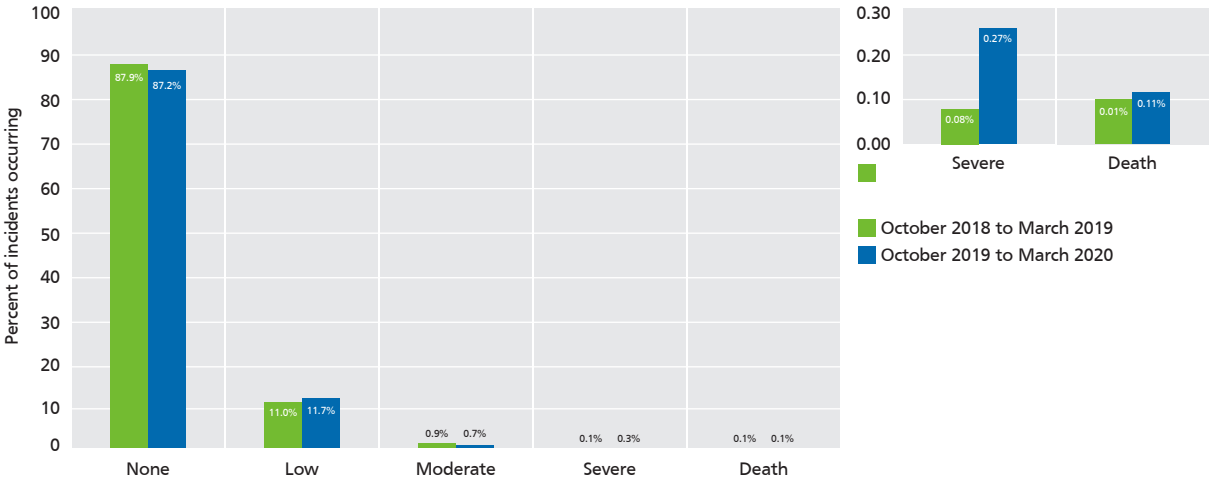
The Trust shares the outcomes of these investigations and trend analysis across the organisation. The trends of Patient Safety Incidents are monitored monthly via the Patient Safety and Effectiveness Committee which reports to the Quality and Safety Committee. In addition, a quarterly report detailing all Serious Incidents and Never Events is submitted to Trust Board meetings.

Data Collection

The risk management software utilised by the Trust (Datix) is a live tool, all data extracted is at a moment in time and the data is continually re-based; this means that looking back retrospectively may not represent the same data. Likewise the National Reporting and Learning System has what is known as a cut off period for data submission, so data submitted after that time does not show in the published report.

Graph 1 below is a comparison of incidents reported by degree of harm for Acute (non-specialist) organisations from October 2018 to March 2019 compared to October 2019 to March 2020.

Graph 1: Degree of Harm October 2019 – March 2020



Source - Data extracted from National Reporting and Learning Systems

Table 1: Data comparison from National Reporting and Learning System and UHCW October 2019 – March 2020

Data	No Harm	Low	Moderate Harm	Severe Harm	Death	Total
NRLS	7,774	1,046	65	24	10	8,919
UHCW	7,346	1,744	60	24	11	9,185

The National Reporting and Learning System data from October 2019 to April 2019 reported ten deaths confirmed as a result of a Patient Safety Incident and 24 Severe Harm incidents at the Trust, at the time of the extraction by the National Reporting and Learning System for its report (30th May 2020). Of the 7346 incidents graded as no harm, 52 related to deaths where the patient safety incident was not contributory. In total, 0.38% of incidents resulted in severe harm or death during October 2019 to March 2020, in comparison to 0.34% for April 2019 to September 2019. This demonstrates a 0.04% increase.

Serious Incidents

In March 2015 NHS England published the revised Serious Incident Framework. This document defines Serious Incidents in broad terms as events in health care where the potential for learning is so great, or the consequences to patients, families and carers, staff or organisations are so significant, that they warrant using additional resources to mount a comprehensive response.

A Serious Incident can extend beyond incidents which affect patients directly and include incidents which may indirectly impact patient safety or an organisation's ability to deliver ongoing healthcare. All Serious Incidents are investigated using the Root Cause Analysis methodology in accordance to the National Serious Incident Framework to ensure that lessons are learned.

The Trust reported 97 Serious Incidents from April 2020 to March 2021 (data from Strategic Executive Information System).

Never Events

Never Events are defined as "Serious Incidents that are wholly preventable as guidance or safety recommendations that provide strong systemic protective barriers are available at a national level and should have been implemented by all healthcare providers."

From April 2020 to March 2021 the Trust reported two never events. Both incidents were initially reviewed by the Patient Safety Response Team to identify and share immediate learning. These cases have also been robustly investigated via the Serious Incident process. The root cause of these investigations and recommendations for learning have also been shared across the Trust via Quality Improvement and Patient Safety meetings.

Avoiding Harm

Treating and caring for people in a safe environment and protecting them from avoidable harm is another measure the Trust records in line with the NHS Outcomes Framework, below are UHCW NHS Trust's results:

Related NHS Outcomes Domain 5

Indicator: avoiding harm [source NHS Digital]	Year by quarters	UHCW	National Average	Trust with Lowest/Highest scrore
The percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism (VTE) during the reporting period. The indicator is expressed as a percentage of all adult in-patients that have received a VTE risk assessment upon admission to the Trust using the clinical criteria of the national VTE tool.	2018-19			
	Q1	96.95%	95.20%	100%
				51.38%
	Q2	96.72%	95.25%	100%
				71.88%
	Q3	96.97%	95.36%	100%
				76.08%
	Q4	96.92%	95.71%	100%
				74.03%
The percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism (VTE) during the reporting period. The indicator is expressed as a percentage of all adult in-patients that have received a VTE risk assessment upon admission to the Trust using the clinical criteria of the national VTE tool.	2019-20			
	Q1	96.72%	95.63%	100%
				69.76%
	Q2	96.55%	95.47%	100%
				71.72%
	Q3	96.92%	95.33%	100%
				71.59%
	Q4	97.10%	Data not available as submission suspended due to COVID-19	Data not available as submission suspended due to COVID-19
				Data not available as submission suspended due to COVID-19

Related NHS Outcomes Domain 5

Indicator: avoiding harm [source NHS Digital]	Year by quarters	UHCW	National Average	Trust with Lowest/Highest scrore
The percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism (VTE) during the reporting period. The indicator is expressed as a percentage of all adult in-patients that have received a VTE risk assessment upon admission to the Trust using the clinical criteria of the national VTE tool.	2020-21- Data is not yet available			
	Q1	97.13%	Data not available as submission suspended due to COVID-19	Data not available as submission suspended due to COVID-19
				Data not available as submission suspended due to COVID-19
	Q2	96.57%	Data not available as submission suspended due to COVID-19	Data not available as submission suspended due to COVID-19
				Data not available as submission suspended due to COVID-19
	Q3	96.59%	Data not available as submission suspended due to COVID-19	Data not available as submission suspended due to COVID-19
				Data not available as submission suspended due to COVID-19
	Q4	Not yet available	Data not available	Data not available
				Data not available

Rota Gaps

Job vacancies at the Trust are presently monitored, managed and filled via requests from operational groups to the Resourcing and Temporary Staffing Teams with locums and/or non-training grades appointed dependent on the duration of the post required. Presently, we have around 150 non-trainees contracted under the 2002 National Terms and Conditions; however, the Trust is taking steps to implement a locally agreed version of the 2016 Trainee Terms and Conditions with roll-out of the terms planned over the next year.

Additionally, the Trust is exploring new measures to move to a more proactive recruitment approach through establishment oversight practices and a more centralised medical workforce function. This will provide UHCW NHS Trust an opportunity to scope a new internal rotational programme, closely aligned to current national training grade programmes, for both medicine and surgical areas to improve the attractiveness of posts and aid retention. In addition to the traditional recruitment practices, the Trust is exploring overseas International Fellowship routes and programmes which will assist the Trust with shortage occupation or hard to fill areas.

Speak Up

Raising profile of the Role

The Freedom to Speak Up Guardian is supported by eight current Confidential Contacts who have a key role in helping to raise the profile of Raising Concerns 'Speaking Up' and bring about cultural change at UHCW NHS Trust. Staff can confidentially speak to the Freedom to Speak Up Guardian or Confidential Contacts, if they have questions about a public interest concern or have concerns that have been previously raised with their department managers and continue to feel the concern has not been dealt with satisfactorily or effectively. From April 2021, the number of Confidential Contacts, will increase with four further employees, having expressed an interest in the voluntary role

Supporting Staff with COVID-19 Concerns

In addition to the Question and Answer sessions, provided by Chief Officers, the Trust's Communication Team provided additional support in ensuring the profile of the Freedom to Speak Up Guardian and Confidential Contacts' roles were highlighted via the Trust's internal communication routes. Encouraging staff to raise concerns through all existing channels, the Freedom to Speak Up Guardian and Confidential Contacts, continued to support staff to speak up utilising the Raising Concerns Policy.

Of the total 49 concerns raised January 2020 - December 2020 the Guardian received 10 written concerns, which were raised formally and were COVID-19 related. There were additional query phone calls to both the Guardian and Confidential Contacts which required signposting to information on UHCW NHS Trust's internal e-Library page which directs staff to relevant Trust policies and also to Professional Bodies such as Royal College of Nursing or General Medical Council.

In response to concerns raised with the Freedom to Speak Up Guardian or Confidential Contacts, there is an escalation made to the senior management for departments, so the concern can be addressed personally and feedback given to the individual who had initially raised an issue. There is a three month and six month follow up to understand any lessons learnt, changes in practice and assurance and that no further concerns have been highlighted. A number of our departments have embraced 'Speaking Up' at the end of their department huddles, to ensure all staff have an appropriate listening time to raise concerns at the earliest opportunity.

Plans for 2021-22

- UHCW NHS Trust will have updated Raising Concerns posters renewed throughout the Trust.
- Re-launch of the current Confidential Contact role. This role will be given a new title Freedom to Speak Up Ambassadors which following feedback, from staff who have used our service; will link the Confidential Contact role to the Freedom to Speak Up Guardian role.
- Raising Concerns flow chart to be attached to all electronic pay slips for all employees, inclusive of Bank staff, Temporary Contracts staff etc.
- The Freedom to Speak Up Guardian is currently developing a bespoke Raising Concerns App, which will enable staff to raise concerns anonymously and analyse data more effectively.

An Invitation to comment and offer feedback

Your Views - Your Involvement

Thank you for taking the time to read our annual Quality Account. We hope you have found it an interesting and enjoyable read. If you would like to comment on any aspect of this Account or give us feedback on any aspect of our services, please write to:

Patient Insight and Involvement Team

University Hospitals Coventry and Warwickshire NHS Trust Quality Department
Clifford Bridge Road Coventry
CV2 2DX

You can also share your views:

- emailing us at insightandinvolve@uhcw.nhs.uk or
- by visiting our website www.uhcw.nhs.uk or
- by visiting NHS Choices website at www.nhs.uk

We look forward to hearing your comments and suggestions.

Commentary from Healthwatch Coventry

Healthwatch Coventry represents the interests of patients and public in local NHS and social care services. We are asked to consider if a Trust's Quality Account shows the following:

1. Reflects peoples' real experiences as told to Healthwatch.
2. Shows a clear learning culture in the Trust that allows people's real experiences to help the provider get better.
3. Priorities for improvement are challenging enough and is it clear how improvement will be measured.

The version we received to produce this commentary did not contain most of the data.

Overall

This has been an extraordinary and difficult year for hospital services due to the COVID-19 pandemic and UHCW has been called on to respond to the demands of treating two waves of people experiencing severe illness from COVID-19. As detailed in the account the impacts of the pandemic extend far beyond the provision of this care.

Last year's priorities

The Trust adapted the priorities it set to take into account COVID-19.

Priority 1 – Patient Safety

The Trust will improve Multi-Disciplinary Team communication with patients on all adults in patient wards and be innovative in its approach in line with COVID-19 social distancing measures.

The achievements described a focus on improving the process and 'flow' of patient discharge. The missing element is how patents and their families were involved within this improved communication and planning.

Priority 2 - Clinical Effectiveness

The Trust will ensure it delivers high standard infection control practice and procedures delivered through active campaigns, staff training and education and patient and carer engagement while also adhering to all national COVID-19 guidance.

Here the work highlighted has been rightly focused on preventing COVID-19 infection.

Priority 3 – Patient experience

The Trust will work in partnership with patients and carer's in planning adult patient discharges from hospital.

The information provided highlights a nationally determined approach to hospital discharge put in place in response to COVID-19 and implemented by the trust and partner organisations. It is anticipated that this approach will be retained.

We know from feedback that family/unpaid carers can be adversely affected where discharge planning does not identify and put in place the correct support. Therefore enabling a local partnership approach with carers to address this is essential.

The more joined up approaches with other organisations and better communication between organisations is welcome and should benefit patients. However the information provided focuses on the staff and the organisations rather than the patients and their families. Some of language used is disempowering e.g. 'patients are taken to' and 'Patient Information and letters that need to be provided'.

Healthwatch Coventry has previously carried out a substantial review of the discharge to asses routes for patients in Coventry from their point of view. Prior to the pandemic we were working with the Trust and other agencies to improve communication and empowerment of patients and their families in the process. The importance of this should not be forgotten. Ensuring people understand what is happening to them, can ask questions and get answers and have a clear route for raising issues as part of their journey and plan is very important.

Priorities for 2021-22

Healthwatch Coventry took part in a priority setting online workshop along with people from other groups and organisations and individuals.

Priority 1 – Patient Safety

This is a welcome focus on embedding a Framework for Involving Patients in Patient Safety. The specific route is by recruiting two patient safety representatives. As discussed at the quality priority setting workshop making this meaningful will require thought and support.

Priority 2 - Clinical Effectiveness

This focuses on how the Trust uses and communicates it is using NICE guidance in patient treatment/care.

Priority 3 – Patient experience

The focus on collecting better monitoring data about patients to understand how the trust is reaching diverse communities is welcome. A focus on underrepresented groups in relation to service design and experience is positive. However, how this will be measured is not clear from the document. The nature of the piece of work around health inequalities is also not set out.

Other quality information

Most of the 2020-21 data was not available in the version of the document we saw.

The Trust continues to be rated as 'Good' by the Care Quality Commission.

The Trust details actions taken as a result of findings of clinical audits and describes that Data Security and Protection Toolkit standards are met.

The Trust provides information about incident and mortality review processes. It is difficult to benchmark the figures which were included to be able to establish context.

Staffing vacancies and gaps in rotas are flagged as an issue.

Involvement of patients and public

The overall figures for complaints were not available to us in the draft however the area showing the highest number was related to communication. There will of course be a number of aspects to this and the Trust should consider these and how to ensure quality priorities can act as impetus for improvement.

This is similar to the most frequent topic of contact with Healthwatch Coventry across local health and care services, which is 'attitude and communication'. The information we have collected from local people since COVID-19 in relation to UHCW indicates some challenges around communication routes with hospital services linked to how access to services and information has changed.

The Trust describes positive measures it has put in place to help facilitate contact between relatives and patients on wards. As the amount of people being treated on wards has increased this may stretch this capacity.

There has been huge change to and pressure on services this year due to the pandemic. Some changed ways of working will become embedded. It is therefore important the Trust continues to develop ways to evaluate approaches from the patient point of view.

There is also a need for new ways of working due to emerging Integrated Care System in the NHS (and linked to the local council role in social care). Patient and public experience and involvement work will need to be a more connected across organisations and this approach should bring dividends for local people and communities.

UHCW NHS Trust Response:

We welcome the response from Healthwatch Coventry and would like to thank our colleagues in Healthwatch Coventry for sharing their insight in people's experiences at our hospitals, especially at a time when pathways and services are changing frequently due to the challenges of the pandemic. The Trust would also like to thank Healthwatch Coventry for its contribution in this year's Quality Account Priority setting workshop held in March 2021.

The Trust is pleased that Healthwatch Coventry recognises its efforts in infection control and prevention measures as we continually work hard to ensure that our hospitals are a safe and caring place to be.

The Trust has worked very hard in improving and collaborating more with our social care partners to improve the discharge process for our patients, the Trust welcomes Healthwatch Coventry's contribution in future work in this area.

Healthwatch Coventry received a draft of this account and as such not all data was available for comment.

UHCW NHS Trust would like to reassure our Healthwatch colleagues that Integrated Care and closing the health inequalities gap is a high priority for the Trust and this is showcased in the Trust's Organisational Strategy which will be shared once finalised later this year.

Commentary from NHS Coventry and Warwickshire Clinical Commissioning Group

NHS Coventry and Warwickshire Clinical Commissioning Group (CCG) welcomes the opportunity to comment on the draft University Hospitals Coventry and Warwickshire NHS Trusts' (UHCW) Quality Account. Whilst not all the data fields in the Quality Account were complete, the CCG has reviewed the information presented against data sources available to the CCG through the quality, contracting and performance management of the contract, and considers the draft account an accurate representation of the quality of services provided by the Trust.

The COVID-19 pandemic has impacted on the way in which we have worked as a system. The Trust made early responses to the changes to processes and pathways needed to manage the emerging and continual changing situation during the early part of the COVID-19 pandemic and this should be applauded, in particular the staff's responsiveness to change their roles and responsibilities at a time of tremendous uncertainty.

The Trust has continued to work throughout this time with the CCG in the spirit of openness, transparency and in collaboration to continue to develop and strengthen the working relationships established through a new way of working. The CCG in this response takes the opportunity comment on the following areas; discharge processes, infection prevention and control, patient safety, feedback and involvement.

The CCG conducted a number of quality assurance visits throughout the year, which included virtual winter preparedness visits the Emergency Department, and onsite infection control and prevention supportive visits to both UHCW and Rugby St Cross during the COVID-19 pandemic. Representatives from Maternity services presented at the CCG Clinical Quality and Governance Committee thematic discussion on Maternity and Neonatal services. The Ockenden Review of Maternity Services outlines Accountable Officer – Mr Phillip Johns Chair – Dr Sarah Raistrick the Immediate and Essential Actions (IEAs) to be taken by all maternity units across England. The Trust has identified and shared the Trust's local actions for learning and recommendations.

The CCG will continue to work collaboratively with the Trust to ensure ongoing improvements in discharge processes. Building on the achievements relating to the data and improvements in patient flow, including discharge to care and residential homes.

It is recognised that there has been a positive impact in the Trust's response to improve patient pathways, particularly in the emergency department.

The work on emergency surgical pathways to improve patient access into the Surgical Assessment Unit has resulted in a significant shift in practice within the surgical group, Emergency Department and supporting specialties.

The newly merged CCG and the restructuring of a Place based approach and strategic collaborative working creates opportunity for system improvement for the population we serve.

Plans for the Trust to make improvements in the quality of care for patients in relation to patient observations within the Emergency Department. Changes to the management of diabetes for adults and young people with the development of an educational programme provided to all Type 1 Diabetic patients. Ensuring patients attending the Children Emergency Department have the appropriate observations (Paediatric Observation Priority Score POPS) and Paediatric Early Warning Score (PEWS). These improvements, identified through the key actions in of the National Clinical Audit plan's for 2020/2021 are welcomed.

It is disappointing that there is no mention in the quality account of the system wide work improving mental health provision and liaison mental health services for children and young people.

The CCG acknowledges the Trust's drive and commitment to improving infection prevention and management and the considerable work that has been undertaken in 2019-2020 and in responding to the COVID-19 pandemic. The CCG will continue to support the Trust's ongoing improvements for the prevention of sepsis and to work collaboratively with the Trust to deliver high standards of infection prevention and control practice.

The CCG is pleased with the overall positive service user feedback in areas including: information received pre admission, signage in public areas, cleanliness, availability of alcohol gel and/or hand washing facilities and welcome the involvement of service user feedback as a patient safety and quality improvement priority for 2020 -2021. Plans to engage patient safety partners at all levels of the organisation will support the service user voice being at the heart of everything that they do.

In conclusion, we recognise that the Trust made positive and sustained progress in a number of areas last year in increasingly difficult times as a result of the COVID-19 pandemic, and confirm that the CCG fully supports the priorities identified by the Trust in its Quality Account for 2021 - 2022.

UHCW NHS Trust Response:

The Trust thanks its Commissioner colleagues for their considered and positive response this year and for supporting the 2021-22 priorities. The Trust is committed to continuing to be open and transparent with its CCG Colleagues and would like to thank the CCG for recognising the efforts of our staff during the ongoing pandemic. We would like to take this opportunity to also thank our CCG colleagues for taking part in the quality assurance visits, these were well received by all those involved and we are committed to continually driving quality improvement in partnership with the CCG.

Although not a focus area of UHCW NHS Trust's Quality Account the Trust recognises the system wide work to improve mental health service provision for children and young people especially during the first and second wave of COVID-19. More work is required in this area especially as demand increases for such services and we plan to work closely with the CCG and other system partners to ensure we respond effectively to this.

Statement of Director's Responsibilities in Respect of the Quality Account

The directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health has issued guidance on the form and content of annual Quality Accounts (which incorporates the legal requirements in the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended by the National Health Service (Quality Accounts) Amendment Regulations 2011 and the National Health Service (Quality Accounts) Amendment Regulations 2012).

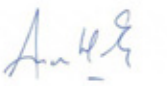
In preparing the Quality Account, directors are required to take steps to satisfy themselves that:

- the Quality Account presents a balanced picture of the Trust's performance over the period covered;
- the performance information reported in the Quality Account is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, 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 Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review; and
- The Quality Account has been prepared in accordance with Department of Health guidance.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Account.

By order of the Board:

Chair



Chief Executive Officer

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Inspected and rated
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