



The Queen Elizabeth
Hospital King's Lynn

NHS Foundation Trust

ANNUAL REPORT & ACCOUNTS

2020/21



EXCELLENCE
STARTS HERE

The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust

Annual Report and Accounts 2020/21

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



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PERFORMANCE REPORT

This section of the report is intended to give an overview of how we did against the priorities we set ourselves for 2020/21 and describe our areas of focus for the year to come, reflecting the Trust's new Corporate Strategy and the direction of travel for the wider health and social care system in Norfolk and Waveney.

Statement from the Chairman and Chief Executive

While April 2020 to March 2021 has been a year of significant progress for QEH, it is fitting that we start this report by recognising the impact of COVID-19, which has fundamentally changed the way in which we deliver services to our patients, in many cases for the better. We have learnt so much during the pandemic, and plan to continue many of the new ways of working and good practice we have adopted into the future. Innovations include better team working across the organisation and wider system, faster decision-making and much-needed acceleration of the digitisation of hospitals and NHS services. Making sure we communicate effectively, openly and honestly with staff, patients and families has also been a priority.

The pandemic led to significant changes in the configuration of the hospital as staff quickly adapted to caring for COVID-19 patients. Numbers peaked at 220 inpatients at the height of the second wave, while 1,712 patients were safely discharged during the course of the year. Very sadly, we mourned the loss of Chrissie Emerson, a much-loved and respected colleague who had served the Trust for over two decades. Chrissie's death impacted on so many across the organisation. She will never be forgotten.

We are incredibly very proud of how Team QEH has pulled together and remained absolutely focused on delivering safe and compassionate care in the most challenging of circumstances. We are also extremely grateful to our fantastic local community for their unwavering support for QEH during the pandemic, including those who contributed to fundraising activities to support improvements to patient and staff experience.

Notwithstanding the challenges presented by COVID-19, we launched our new five-year Corporate Strategy and vision for the future in June 2020, which is for the QEH to be the best rural District General Hospital for patient and staff experience. The new strategy was drawn up following extensive engagement with patients, partners, external stakeholders, Governors, members, volunteers and staff, and is all about improving quality, engagement and healthy lives - or QEH for short.

Below is a summary of how we have done in each of these areas in 2020/21:

Quality

We have made strong progress against our quality improvement plan, with a high-calibre, experienced Trust Board now in place to take QEH forward.

An unannounced core services inspection in September 2020 resulted in none of our core services being rated as 'inadequate' by the Care Quality Commission, compared with 19 areas in the same services rated 'inadequate' in our 2019 inspection. All of the core services inspected (Medicine, Surgery, Urgent and Emergency Care, Maternity, Diagnostic Imaging and End of Life Care) are now rated

as 'good' for caring, which marks a further significant improvement. In addition, the Trust has three 'must do' and 33 'should do' actions from its 2020 inspection compared with 206 in total in 2019, marking an 82% reduction in 'must' and 'should do' actions.

Five 29A CQC conditions have been closed, five section 31 conditions for Maternity Services have been removed and a further 10 section 30 conditions spanning Maternity, Urgent and Emergency Care and Diagnostic Imaging were lifted in March 2021.

The General Medical Council conditions have also been removed and the Trust is no longer under enhanced monitoring.

We had zero cases of Methicillin-Resistant Staphylococcus Aureus (MRSA) bacteraemia during 2020/21 compared to one the previous year. We continue to do all we can to reduce hospital-acquired infections and saw NHS Improvement/England move our rating for Infection Prevention and Control from 'amber' to 'green' during the year.

Modernising both the estate and digital infrastructure of the hospital has been a priority in 2020/21, with much progress made. Another important strategic development saw the Trust acquire the private BMI Sandringham Hospital, which became operational as our new 26-bed elective treatment centre within just four weeks of the purchase.

During the year, QEH also celebrated its 40th birthday by welcoming the Duke and Duchess of Cambridge to the Trust. The deterioration of our ageing buildings, which were originally designed to last 30 years, remains a real cause for concern for the Board. As a result, we submitted a compelling case for a new hospital as part of the NHS's response to the Comprehensive Spending Review in the autumn of 2020, and have started developing a strategic outline case to further strengthen our position. The allocation of £20.6m in national capital funding for short-term safety improvements to the estate was welcomed at the end of 2020/21. However, this must be balanced with the need to find a longer-term solution which sustainably addresses the challenges which exist with the estate, either with a new hospital or a substantial rebuild. Our patients and the local communities we serve in west Norfolk, north east Cambridgeshire and south Lincolnshire deserve nothing less.

The digital maturity of QEH has improved over the last year. We have a digital workplan in place which balances getting the fundamentals right (including ensuring compliance with the statutory requirements for cyber security) with progressing digital transformation. Clinical engagement around this work is being led by the Trust's Chief Clinical Information Officer and Chief Nurse Information Officer, together with a team of six Nursing Information Support Officers. More virtual outpatient clinics were introduced during the pandemic, and QEH is on-track to deploy Electronic-prescribing and Single Sign On in April 2021, followed by a new Radiology Information System in June 2021. We are also actively engaged and working closely with system partners to develop a case to bring an electronic patient record to Norfolk and Waveney.

Two important strategic developments were on the cusp of completion at the end of 2020/21 - our charity-funded Cancer Wellbeing and Support Centre and our new £185,000 Maternity Bereavement Suite, which has been made possible after being named as the Lynn News charity of the year. We have also made good progress with the new School of Nursing for King's Lynn and west Norfolk, which is a partnership venture with the College of West Anglia and the Borough Council of King's Lynn and West

Norfolk, with the first intake of Nursing Associates due in early 2022.

With regard to wider performance, we have seen the impact of COVID-19 on our ability to deliver planned care, with a deterioration in 18-week referral to treatment and diagnostics performance and a significant increase in the number of patients who are waiting over 52-weeks for treatment. As COVID-19 cases have now reduced dramatically, we are focusing on the recovery and of services, including how we restore our elective programme in line with nationally-agreed performance standards.

Although we have seen pressures across emergency care pathways, there have been improvements made in relation to performance against the national emergency access standard and ambulance handover times. As we have been running two Emergency Departments during the pandemic, this has demonstrated that when we have a right-sized department we can more consistently deliver timely emergency patient care.

We achieved five out of the seven service cancer targets but did not achieve the 62-day wait target. This will be a clear focus in the year to come.

Thanks to the efforts of our staff, QEH achieved its financial plan for the second year running. We were also one of very few Trusts nationally to continue our cost improvement programme in 2020/21, achieving £4.4m in savings.

Engagement

Recognising how challenging this period has been for staff, we have implemented a much-strengthened and nationally-recognised staff engagement programme. Our 2020 National Staff Survey results improved across all 10 themes for the second year running, providing important external evidence that staff morale, culture and experience is improving. The Trust's results were the twelfth most improved in the country and the most improved in the region for the second consecutive year, with response rates the highest since 2017.

The Trust's Medical Engagement Survey results, published in early 2021, showed significant progress, with QEH one of the most improved Trusts in the region. We have also launched 'The QEH Way', which sets out with absolute clarity the behavioural standards expected of staff. In addition, a Trust-wide Culture Transformation Programme has launched to bring our values to life across the organisation, with a strong focus on kindness, wellness and fairness. This work is a top priority going into 2021/22.

We will continue to build on the opportunities which have been created by COVID-19. These include flexible and home working, physical and psychological health and wellbeing, staff benefits, greater collaboration with voluntary and other care sectors and the development of a range of staff networks, including Black, Asian and Minority Ethnic (BAME) and Lesbian, Gay, Bisexual and Transgender (LGBT) Networks. Reverse mentoring, which sees Board members mentored by a more junior member of staff, is also now in place, while there are ethnic minority representatives on most interview panels at band seven and above.

The number of 'speak up' referrals more than doubled in 2020/21 compared to the previous year, which is a positive sign that we are creating a 'speak up' culture. We will continue to encourage staff to speak up with concerns and feedback. Our team of Freedom to Speak Up Guardian, Champions, the Executive Lead and the Trust's Head of Organisational Culture are instrumental in taking this important work forward.





The Trust's inaugural Leadership Summit took place in March 2021 and attracted a range of nationally-recognised speakers from inside and outside the NHS. It was a huge success, with more than 490 staff, Governors and partners attending.

Finally, an external stakeholder perception survey carried out in summer 2020 returned some of the best feedback the auditor has received, demonstrating much-improved stakeholder/partner relationships and more active participation in wider system work across Norfolk and Waveney.

Healthy Lives

We have implemented a comprehensive health and wellbeing programme for staff. This includes recruiting 18 Mental Health First Aiders, a Clinical Psychologist and Post Traumatic Stress Disorder specialist posts to support staff, as well as a new menopause awareness and manager training programme.

More than 30,000 patients and healthcare staff received their COVID-19 vaccination at our vaccination hub and the Downham Market centre since the end of December 2020, while we also completed 100% of our staff risk assessments - the best performance in the region. At 100%, we also had the best flu vaccination rates for frontline staff in the country.

The Trust's excellent reputation for research and innovation continues to grow. We marked another record-breaking year by recruiting 1,867 participants into research trials in 2020/21, and were ranked 27 of 507 Trusts nationally for COVID-19-related research after leading on vaccine trials for the eastern region.

Looking to 2021/22

While it is important to recognise the progress we have made in so many areas, we know where we need to focus our efforts in the coming months to ensure sustained year-on-year improvements to patient and staff experience. There remains much more work to do to consistently deliver safe and compassionate care to our patients and their families, and to ensure we learn from complaints and provide timely, high quality responses to people raising issues. Other areas of focus going into 2021/22 include reducing sickness absence and improving appraisal and mandatory training rates.

Central to the delivery of QEH's strategy is ensuring the Trust plays a lead role in the emerging Norfolk and Waveney Integrated Care System and developing Provider Collaborative. This will see closer relationships being forged between QEH, James Paget and Norfolk and Norwich Hospitals to secure greater benefits for patients and staff in the future. Full details of the milestones and deliverables we have agreed for 2021/22 are available in our Annual Plan and Corporate Strategy.

Finally, we would like to thank our 4,000-plus team of staff, volunteers, Governors, members, local communities and partners for their support throughout the year. We look forward to continuing to work with you over the next 12-months as we move into the next chapter of our improvement journey so that we can ensure patients and their families consistently receive the safe, high quality care that they deserve.

Steve Barnett *Caroline Shaw*

Professor Steve Barnett
Chairman

14 June 2021

Caroline Shaw CBE
Chief Executive

14 June 2021

OUR YEAR IN NUMBERS

NHS STAFF SURVEY

We **improved** in **every area** with the biggest improvements in **safety culture**, **safe environment** and **health and wellbeing**.

1,867

people recruited into trials

19,839

day cases

61,276

Emergency Department attendances

£269M

total income



6.9M

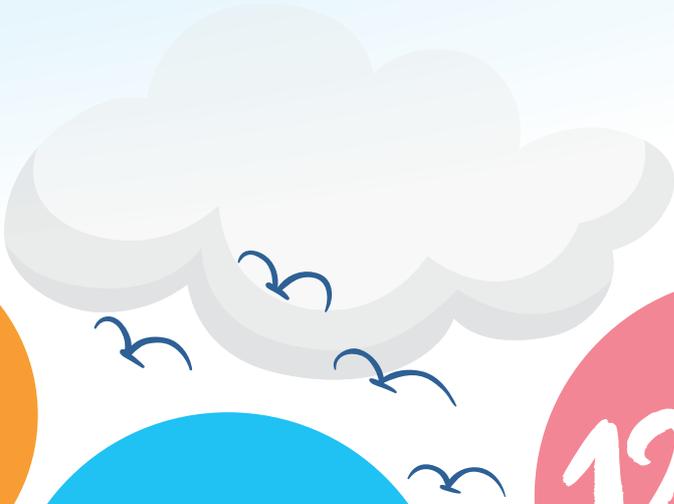
impressions on Twitter (@TeamQEH)



745

new page likes on Facebook (@TeamQEH)





PURPOSE AND ACTIVITIES OF THE FOUNDATION TRUST

The Queen Elizabeth Hospital (QEH) provides acute services to the populations of King’s Lynn and west Norfolk, and to parts of Cambridgeshire, Lincolnshire, north Norfolk and Breckland.

In view of its geographic position on the borders of Norfolk, Cambridgeshire and Lincolnshire, the Trust is commissioned by clinical commissioning groups from all three counties. Our lead commissioner is NHS Norfolk and Waveney Clinical Commissioning Group.

The QEH provides acute services at district general hospital level in the following specialist areas:

- Acute Medicine
- Emergency Medicine
- Cardiology
- Care of the Elderly
- Diabetes
- Endocrinology
- Gastroenterology
- Haematology
- Neurology
- Oncology
- Palliative Medicine
- Radiology
- Neurophysiology
- Nephrology
- Rheumatology
- Respiratory
- Stroke
- Anaesthetics
- Clinical Psychology
- Critical Care
- Dermatology
- General Surgery
- Ophthalmology
- Orthodontics
- Oral Surgery
- Pain Services
- Trauma & Orthopaedics
- Urology**
- Obstetrics & Gynaecology
- Paediatrics

In addition, the hospital has a renal dialysis unit, which is an outreach unit of the nephrology service in Cambridge.

* Our oncology service is supplemented by additional facilities in Cambridge and thoracic and plastic surgery services are provided by Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH).

** Urology transferred to NNUH on 1 March 2020. NNUH are the lead provider, subcontracting services to QEH. Services continue to be delivered from our site.

A BRIEF HISTORY OF THE FOUNDATION TRUST

We were authorised as a Foundation Trust in 2011 and have 518 beds (including escalation), 18 wards and serve a population of around 279,000 people in the counties of Norfolk, Cambridgeshire and Lincolnshire.

We employ around 3,400 whole-time equivalent staff who are committed to working with partners to deliver safe, high quality care.

We have seven main operating theatres including two fully integrated endoscopic theatres, the newly-acquired Sandringham Unit, a dedicated West Norfolk Breast Unit and the midwife-led Waterlily Unit, which provides expectant mothers with greater choice.

In 2021/22:

- 61,726 patients attended our Emergency Department (8,655 less than in 2019/20)
- We treated 40,813 elective and non-elective inpatients (4,396 less than 2019/20)
- We carried out 19,839 day case procedures (21,474 less than 2019/20)
- 79,311 new outpatient appointments took place (29,585 less than 2019/20) and 207,320 follow-up appointments (67,195 less than 2019/20)
- 1,955 babies were born at our hospital (49 less than 2019/20)

The Trust was placed in special measures in June 2015 after a Care Quality Commission (CQC) inspection in May 2015. QEH came out of special measures following a further inspection in June 2015, but this improvement was not sustained and we were rated 'inadequate' following an inspection in September 2018.

In March 2019, the CQC returned to inspect the Trust's core services. This resulted in section 31 and section 29A warning notices placing conditions on our registration as a provider of healthcare, which required immediate action. In July 2019, the CQC rated us as 'inadequate' overall with a recommendation that we be placed back in special measures.

The CQC returned to QEH to carry out an unannounced focused core service inspection in September 2020 and published its report in December. Although this report highlighted the significant improvements and progress which have been made over the previous 12-months, the Trust's overall rating cannot be changed until the CQC carries out a full on-site inspection. We expect this to take place in summer 2021, when the CQC restarts its inspection regime following COVID-19.

Further information about our most recent CQC inspection, including highlights of the report, are included in the Integrated Quality Improvement Plan and the Care Quality Commission section on the following pages.

I would like to express my thanks to all of the staff at the QEH. During the coronavirus pandemic every member of staff has worked very hard for the whole community, giving the utmost care to patients, keeping relatives in contact with their loved ones and keeping them informed with up to date information regularly. During the pandemic the staff of the QEH and the Borough Council of King's Lynn and West Norfolk continued working well together especially with the 'District Direct' initiative, which ensures patients are able to be efficiently discharged to a safe and secure home. The Borough Council recognises the importance of a good working partnership with QEH which will continue to improve the lives of our residents in West Norfolk through many initiatives.

Cllr Elizabeth Nockolds

The Woottons Ward, Norfolk County Council

OUR INTEGRATED QUALITY IMPROVEMENT PLAN AND THE CARE QUALITY COMMISSION (CQC)

The Trust's Integrated Quality Improvement Programme (IQIP) reflects our pledge to deliver high quality, patient-centred, integrated care for the community we serve.

It has been produced with input from staff and stakeholders and responds to recommendations from our regulators and the CQC. It outlines our longer term ambitions to be recognised for the care we provide and the way we help staff to continually develop throughout their careers so that they are proud to say they work for QEH.

The IQIP is aligned to our 2020-2025 Corporate Strategy and has two main areas of focus. They are:

1. Ensuring the provision of safe, effective care for our patients and a positive working environment for our staff
2. Ensuring the care we provide is delivered in accordance with all regulatory requirements

We will achieve these aims by:

- Investing and improving leadership development at Board, senior management and middle management level
- Focusing on communications, culture change and improving staff engagement
- Developing an overarching scheme of clinical and corporate governance
- Focusing on recruitment, retention and workforce utilisation
- Improving the environment and layout of our Emergency Department
- Closer working with external partners and stakeholders
- Reviewing and improving our medical education programmes

The Trust's 2019/20 IQIP included a total of 206 actions, which were a combination of conditions, 'must do' and 'should do' actions. Of these, 178 (86%) were approved for closure by the end of March 2021, which demonstrates sustained progress throughout the year. This progress was clearly recognised by the CQC following its unannounced focused inspection in September 2020. Its report, published in December, highlighted the significant progress we have made over the past 12-months while also providing further external validation of our improvement programme and commitment to ensure patients consistently receive safe and effective care.

Whilst six core services have been re-rated following the September CQC inspection, our overall rating cannot be changed until a full on-site inspection takes place. It is anticipated this will be in summer 2021, when it is hoped the CQC will restart its inspection regime following the Coronavirus pandemic.

The publication of the 2020 report was accompanied by a message from Professor Ted Baker (below), Chief Inspector of Hospitals, who noted the improvements we have made over the last year. He also highlighted a real change in culture, with staff more positive and engaged, as well as improvements in patient safety, experience and Infection Prevention and Control.

Highlights from our 2020 CQC report included:

1. None of the core services which were inspected are now rated 'inadequate'. This compares to 19 areas in the same services rated 'inadequate' in the Trust's 2019 inspection
2. All of the Trust's core services which were inspected (Medicine, Surgery, Urgent and Emergency Care, Maternity, Diagnostic Imaging and End of Life Care) are now rated as 'good' for caring, marking a further significant improvement
3. The Trust has three 'must do' and 33 'should do' actions from its 2020 inspection, the majority of which already feature in our IQIP. This compares to 206 in total in 2019, which is the equivalent of an 82% reduction in 'must' and 'should do' actions

Particular areas of improvement noted by the CQC included:

- Patients were treated with respect and dignity
- Staff were compassionate and include patients and their relatives in decision making
- Infection Prevention and Control is well managed
- Local leadership teams are passionate about their services, visible and respected
- Staff felt able to escalate concerns

We found real cultural change had taken place across the Trust and staff were demonstrably more positive and engaged. Our inspection team particularly noted how caring staff were and found examples of staff who exceeded expectations to help people.

The dedicated work of staff deserves recognition, a number of improvements have been made at the most challenging time for hospital services, and this is to be commended.

Professor Ted Baker

Chief Inspector of Hospitals, Care Quality Commission

2019 CQC INSPECTION RATINGS FOR QEH

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent & Emergency Care	Inadequate ↔ July 2019	Inadequate ↓ July 2019	Requires Improvement ↓ July 2019	Requires Improvement ↔ July 2019	Inadequate ↔ July 2019	Inadequate ↔ July 2019
Medical Care (including Older People's Care)	Inadequate ↔ July 2019	Inadequate ↓ July 2019	Requires Improvement ↔ July 2019	Requires Improvement ↔ July 2019	Inadequate ↔ July 2019	Inadequate ↔ July 2019
Surgery	Requires Improvement ↔ July 2019	Good ↑ July 2019	Good ↔ July 2019	Requires Improvement ↔ July 2019	Good ↑ July 2019	Requires Improvement ↔ July 2019
Critical Care	Good July 2015	Good July 2015	Good July 2015	Good July 2015	Good July 2015	Good July 2015
Maternity	Requires Improvement ↑ July 2019	Good ↑ July 2019	Good ↔ July 2019	Good ↑↑ July 2019	Requires Improvement ↑ July 2019	Requires Improvement ↑ July 2019
Gynaecology	Requires Improvement July 2019	Good July 2019	Good July 2019	Requires Improvement July 2019	Requires Improvement July 2019	Requires Improvement July 2019
Services for Children and Young People	Good ↔ July 2019	Good ↔ July 2019	Good ↔ July 2019	Good ↔ July 2019	Requires Improvement ↓ July 2019	Good ↔ July 2019
End of Life Care	Requires Improvement ↔ July 2019	Inadequate ↔ July 2019	Good ↔ July 2019	Inadequate ↓ July 2019	Inadequate ↓ July 2019	Inadequate ↓ July 2019
Outpatients	Good ↑ July 2019	Not Rated	Good ↔ July 2019	Requires Improvement ↔ July 2019	Requires Improvement ↔ July 2019	Requires Improvement ↔ July 2019
Diagnostic Imaging	Inadequate ↓ July 2019	Not Rated	Good ↔ July 2019	Requires Improvement ↔ July 2019	Inadequate ↓ July 2019	Inadequate ↓ July 2019
Overall Trust 2019	Inadequate ↔ July 2019	Inadequate ↓ July 2019	Requires Improvement ↓ July 2019	Requires Improvement ↔ July 2019	Inadequate ↔ July 2019	Inadequate ↔ July 2019

2020 CQC INSPECTION RATINGS FOR QEH

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent & Emergency Care	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020	Good ↑ December 2020	Requires Improvement ↔ December 2020	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020
Medical Care (including Older People's Care)	Good ↑↑ December 2020	Requires Improvement ↑ December 2020	Good ↑ December 2020	Requires Improvement July 2019	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020
Surgery	Good ↑ December 2020	Good July 2019	Good July 2019	Requires Improvement July 2019	Requires Improvement ↓ December 2020	Requires Improvement ↔ December 2020
Critical Care	Good July 2015	Good July 2015	Good July 2015	Good July 2015	Good July 2015	Good July 2015
Maternity	Requires Improvement ↔ December 2020	Good July 2019	Good July 2019	Good July 2019	Requires Improvement ↔ December 2020	Requires Improvement ↔ December 2020
Gynaecology	Requires Improvement July 2019	Good July 2019	Good July 2019	Requires Improvement July 2019	Requires Improvement July 2019	Requires Improvement July 2019
Services for Children and Young People	Good July 2019	Good July 2019	Good July 2019	Good July 2019	Requires Improvement July 2019	Good July 2019
End of Life Care	Good ↑ December 2020	Requires Improvement ↑ December 2020	Good ↔ December 2020	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020
Outpatients	Good July 2019	Not Rated	Good July 2019	Requires Improvement July 2019	Requires Improvement July 2019	Requires Improvement July 2019
Diagnostic Imaging	Requires Improvement ↑ December 2020	Not Rated	Good July 2019	Requires Improvement July 2019	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020
Overall Trust 2020	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020	Good ↑ December 2020	Requires Improvement ↔ December 2020	Requires Improvement ↑ December 2020	Requires Improvement ↑ December 2020

2019 VERSUS 2020 TRUST RATING BREAKDOWN

	Inadequate	Requires Improvement	Good	Not Rated
2019 Report	19	22	23	2
2020 Report	Nil	36	28	2

Following publication of the CQC report, the Trust has taken the opportunity to review and refresh its IQIP, incorporating the 25 outstanding actions from the 2019/20 IQIP with the 36 'must' and 'should do' actions detailed with the latest report. This new 2021/22 IQIP was launched in March 2021 and is aligned to our strategic objectives, giving us a clear road map for our ongoing improvement journey.

In addition to the significant improvement recognised by the inspectors, the Trust received formal notification from the CQC on 6 January 2021 that our application to lift five section 31 conditions for Maternity Services had been approved. This is a significant decision by the CQC and extremely positive for the Trust as it sends a message of confidence in the organisation and its leadership and provides a further level of assurance through external validation.

Following publication of the December 2020 report, QEH also received confirmation that the CQC was closing five of its 29A conditions spanning the core services of Medicine and Diagnostic Imaging. Whilst improvement was noted against the remaining 29A conditions, they were not reviewed in full during the September 2020 inspection, but will instead form part of the Trust's next on-site inspection in 2021.

Following consideration at our Quality Committee's January 2021 meeting, we submitted a formal application to the CQC in February 2021 to request the lifting of a further 11 of the remaining 17 section 31 conditions spanning the core services of Maternity, Urgent and Emergency Care and Diagnostic Imaging. This application was accompanied by detailed evidence of improvement and compliance, with 10 conditions lifted by the CQC - marking further welcome news and external evidence of progress by the Trust.

In April 2019, the General Medical Council (GMC) raised specific concerns about the standards of training in Obstetrics and Gynaecology and imposed three conditions across the whole Trust. These conditions required us to:

- Provide an established, visible and Trusted process to support and encourage trainees to raise concerns
- Improve the culture of the Trust, in particular around tackling unacceptable behaviours
- Establish an effective educational governance system with a clear line of accountability to the Board

A comprehensive improvement plan aligned to the IQIP was agreed with Health Education England (HEE) and we have had monthly monitoring returns and bi-monthly visits from the GMC and HEE to meet with trainers and trainees to monitor our progress since then. The huge amount of work through 2019/20 resulted in the conditions being lifted in April 2020, which was a great achievement. In his letter to us, the GMC's Medical Director and Director of Education and Standards, Professor Colin Melville, said that we had provided evidence of continued improvement, through our improvement plan and regular meetings with trainees.

Since the lifting of these conditions, we have continued to strengthen training opportunities for medical trainees. These improvements have, in turn, been recognised by the GMC and reflected in their decision in December 2020 to also remove the Trust from enhanced monitoring.

OUR CORPORATE OBJECTIVES

We launched our five-year Corporate Strategy in June 2020, which articulates our vision to be:

'the best rural District General Hospital for patient and staff experience.'

Our mission is described as:

'working with patients, staff and partners to improve the health and clinical outcomes of our local communities.'

The Trust's three priorities are 'quality', 'engagement' and 'healthy lives', which are supported by six strategic objectives:



STRATEGIC OBJECTIVE

1

To consistently provide safe and compassionate care for our patients and their families.

Executive Lead:
Chief Nurse

STRATEGIC OBJECTIVE

2

Modernising our hospital (estate, digital infrastructure and medical equipment) to support the delivery of optimal care.

Executive Lead:
Director of Finance

STRATEGIC OBJECTIVE

3

Strengthening staff engagement to create an open culture with Trust at the centre.

Executive Lead:
Deputy CEO

STRATEGIC OBJECTIVE

4

Working with patients and system partners to improve patient pathways and ensure future financial and clinical sustainability.

Executive Lead:
Director of Strategy

STRATEGIC OBJECTIVE

5

Supporting our patients to improve health and clinical outcomes.

Executive Lead:
Medical Director

STRATEGIC OBJECTIVE

6

Maximising opportunities for our staff to achieve their true potential so that we deliver outstanding care.

Executive Lead:
Director of People



Underpinning the six strategic objectives are clear key performance indicators which we have been monitoring throughout the year so that the areas where we are achieving are clear, along with those where we need to focus our efforts in order to resolve under-performance.

Strategic objective	2020/21 progress
Quality	
<p>1. To consistently provide safe and compassionate care for our patients and their families</p>	<ul style="list-style-type: none"> • Administered more than 30,000 COVID-19 vaccinations to patients, the public and healthcare staff between late December and 31 March 2021 • Completed COVID-19 risk assessments for 100% of our staff, which was the best performance in the region • Achieved the best flu vaccination rates in the country (100% of frontline staff) • Recorded improvements following our CQC inspection, with none of the Trust's core services now rated 'inadequate' • Achieved 'good' ratings for 'caring' in all of the core services which were inspected (Medicine, Surgery, Urgent and Emergency Care, Maternity, Diagnostic Imaging and End of Life Care) • Received notification from the General Medical Council and CQC that various conditions placed on the Trust had been removed or lifted • Launched our new five-year Corporate Strategy • Opened the Sandringham Hospital within four weeks of purchasing it and successfully transferred 70 staff to QEH • Introduced a new patient helpline to improve communication with families and relatives • Appointed a Specialist Palliative Care Co-ordinator and began recruiting for a Clinical Nurse Specialist to improve End of Life Care • Expanded our Consultant Geriatrician team and appointed a locum consultant for two days a week
<p>2. Modernising our hospital (estate, digital infrastructure and medical equipment) to support the delivery of optimal care</p>	<ul style="list-style-type: none"> • Submitted a compelling case for a new hospital and continued to lobby to ensure QEH is one of the further eight new hospitals to be built by 2030 • Continued proactive work to mitigate the risks associated with Reinforced Autoclaved Aerated Concrete (RAAC) planks. We are also working with other RAAC plank hospitals in the region to make a strong case for emergency capital funding so that we can mitigate the risks associated with the structural integrity issues • Worked collaboratively with Norfolk and Norwich University Hospital (NNUH) and James Paget University Hospital (JPUH) to draw up a compelling case for the development of Diagnostic Assessment Centres, supported by £69m national capital funding • Developed our new digital strategy and created an initial workplan for 2021/22 which reflects the priorities of our clinical teams and the Digital Forum • Continued developing a QEH Clinical Services Strategy, which is aligned to the system's Hospital Services Strategy • Contributed to ongoing discussions with NNUH and JPUH regarding further opportunities for Norfolk and Waveney's three acute hospitals to work more closely together to improve access and outcomes for our patients • Continued to work with partners on the transformation of the Urology Service

Strategic objective	2020/21 progress
Engagement	
<p>3. Strengthening staff engagement to create an open culture with Trust at the centre</p>	<p>Our culture:</p> <ul style="list-style-type: none"> • Launched a Trust-wide Culture Transformation Programme to bring our values to life across the organisation • Appointed 19 Freedom to Speak Up Champions from across the Trust to support the Speak Up agenda. This has led to a significant increase in reporting, which is a sign of a healthy culture • Launched our new behavioural standards, called 'The QEH Way' • Relaunched 'Ways we listen' • Held quarterly patient safety learning events for all staff • Appointed a substantive Head of Organisational Culture <p>Staff engagement:</p> <ul style="list-style-type: none"> • Attracted national recognition for staff engagement, including our health and wellbeing programme • Appointed 18 Mental Health First Aiders, a Clinical Psychologist and Post Traumatic Stress Disorder (PTSD) lead to support staff • Appointed a substantive Head of Staff Engagement and Events • Recorded our highest response rate for the NHS Staff Survey since 2017 of 45%, which is in line with the national average • Improved in all 10 themes of the 2020 NHS Staff Survey, with statistically significant improvements in nine areas • Continued to support our flourishing BAME, LGBT+ and Armed Forces Networks • Recorded significant progress in the results of our Medical Engagement Survey and the largest improvements in the East of England
<p>4. Working with patients and system partners to improve patient pathways and ensure future financial and clinical sustainability</p>	<ul style="list-style-type: none"> • Appointed a senior nurse to work with partners to progress the project to introduce a School of Nursing in West Norfolk by 2021 • Completed a stakeholder perception review which noted a positive shift in the Trust's culture and the pace at which the Board has worked at to improve the quality of services • Delivered against our financial plan for 2020/21 • Were one of very few Trusts nationally to continue a cost improvement programme in 2020/21 while remaining on target to achieve £4.4m savings in-year

Strategic objective	2020/21 progress
Healthy Lives	
<p>5. Supporting our patients to improve health and clinical outcomes</p>	<ul style="list-style-type: none"> • Were one of the first Trusts in the country and the first in the region to clear our breast screening backlog and restore our service in line with pre-COVID-19 standards • Promoted healthy living advice to reduce people's risk of getting cancer • Offered tailored advice to cancer patients to support their recovery and reduce the chance of their cancer returning • Began work on our new Cancer Wellbeing and Support Centre, which is on track for completion by the end of April 2021 • Developed a comprehensive Maternity Services action plan to improve safety and outcomes for mothers and babies. We are also on track to deliver the 'Saving Babies Lives' care bundle and have been working with Clinical Support Services to increase our scanning capacity • Maintained our A rating from the Sentinel Stroke National Audit Programme (SSNAP), despite the operational challenges of COVID-19 • Recruited 1,867 patients to clinical trials against a stretch target of 2,000 • Recruited 1,124 patients to urgent public health COVID-19 trials, including RECOVERY, the ISARIC COVID-19 clinical characterisation protocol study, GenOMICC and PaNCOVID • Appointed a new head of learning, research and innovation and a replacement Research and Innovation Manager
<p>6. Maximising opportunities for our staff to achieve their true potential so that we deliver outstanding care</p>	<ul style="list-style-type: none"> • Held our first Leadership Summit, which attracted nationally-renowned speakers from inside and outside of the NHS • Appointed a Chief Nurse and Director of People, which means we now have a fully substantive Executive Team in place • Introduced a Director of Patient Safety post to maintain a focus on quality improvement and safety, with a substantive arrangement to be in place by April 2021 • Introduced a bespoke Board development programme and Divisional Leadership Team leadership programme • Further strengthened our nationally-recognised health and wellbeing programme by: <ul style="list-style-type: none"> » Appointing to dedicated posts to increase the support available to staff, including a Clinical Psychologist and PTSD lead » Introducing rest areas and free refreshments 24/7 in response to staff feedback » Launching a menopause awareness and manager training programme, which includes monthly menopause cafes » Focusing on sleep and fatigue management for staff » Becoming a 'Time to Change' employer for mental health in the workplace • Appointed a physiotherapist to focus on staff with musculoskeletal problems • Vaccinated 100% of frontline staff against flu, making QEH the best performing Trust in the country

GOING CONCERN

The concept of 'going concern' is a basic assumption within accounting practice, where it is assumed that an entity will be able to continue to operate for a period of time sufficient to enable it to fulfil its commitments, obligations and objectives. In other words, the entity will not be forced to cease its business in the foreseeable future.

There is no presumption of 'going concern' status for NHS Foundation Trusts and Directors must decide each year whether it is appropriate to prepare the Trust's accounts on the 'going concern' basis.

In making this assessment, the Board has taken into account best estimates of future activity and cash flows and has been mindful of the Government Financial Reporting Manual, which states that "the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient as evidence of 'going concern'."

The Board considered its 'going concern' position at its meeting in May 2021 and after consideration of risks and uncertainties agreed that the use of the 'going concern' basis is appropriate.

Healthwatch Norfolk are pleased to have been invited to contribute towards QEH's Annual Report. The Trust has made substantial changes over the last 18 months but especially over the past 12 months, and during a pandemic that has seen tragedy strike hospital staff as well as many residents of west and north Norfolk, north Cambridgeshire and Lincolnshire who all use the QEH.

Despite everything that has been 'thrown' at the Trust in these testing times, we are all able to see improvements on a daily basis. Staff feel listened to as is shown in the recent national staff survey, while patients provide Healthwatch with an array of good news stories as to the way in which they have been treated. The introduction of a patient helpline during the pandemic has been an innovative approach to keeping loved ones informed about their relatives' conditions whilst they are unable to visit the hospital.

On a negative note, the year culminated with the Trust experiencing multiple difficulties with its deteriorating estate. Hopefully this issue will be resolved with a new build hospital being given the green light when the government next announces the hospitals whose bids have been successful. On a positive note, the CQC progress is impressive and this turnaround should be commended from the rooftops, partly due to the speed in which the conditions have been lifted and secondly because all this has been achieved during a period of major pressures being put on all health and social care staff.

Healthwatch hope to be able to be writing even more positive news in next year's annual report.

Alex Stewart
CEO, Healthwatch Norfolk



PERFORMANCE ANALYSIS: OUR FINANCES

Overview of 2020/21 financial performance

In 2020/21, the financial regime was changed in response to the management of the COVID-19 pandemic. NHS England/Improvement (NHSE/I) provided the Trust with a plan that set a break-even budget for the first six-months of 2020/21. In addition, in line with national guidance, an assumption was set that the Trust would receive reimbursement for all COVID-19 related costs via a retrospective 'top-up' mechanism to bring the overall income and expenditure position back to a balanced position.

The Trust submitted a final plan to NHSE/I in November 2020 to cover the periods for months seven to 12. The plan set was a £1.9m deficit. We delivered an actual surplus of £0.05m (£50k). This surplus position includes funding received to cover the costs of the pandemic and also includes additional funding to cover the cost of carrying annual leave commitments for staff. Within this financial position we had achieved £4.4m savings that were in line with the plan set.

We spent £14.4m on capital projects during the year. This was funded by our own internally-generated resources, a loan from the Department of Health and Social Care (DHSC), and from Public Dividend Capital (PDC). This spend was below our planned value of capital expenditure of £21.4m. The key elements of our capital programme were:

- Addressing backlog maintenance and investment in critical infrastructure
- Acquisition of the Sandringham Unit
- COVID-19 related ward works and medical equipment
- Digital investment

Performance against our financial plan

We delivered a £0.05m surplus for the year. The indicative ICS (Integrated Care System) position at the end of March is also a surplus position. The Trust position includes notional accounting adjustments of £6.4m for pension contributions, £0.5m apprentice levy and £3.8m donated personal protective equipment (PPE) stock. These are included within income and expenditure and are in line with national guidance.

Our final year-end position includes the following (excluding the impact of donated assets):

- Total income £269m actual; a net positive movement from plan of £24.4m which includes additional notional funding referred to above of £10.7m; additional income to cover COVID-19 costs of £11m, and additional funding to cover the cost of carrying annual leave commitments of £2.7m
- Total expenditure £274m actual; which was £23m over plan. This also includes £10.7m of notional expenditure referred to above and £11m of COVID-19 costs. Agency staff spend was £0.4m above plan and non-pay was £0.9m above plan primarily due to the additional costs incurred of international recruitment
- Expenditure below earnings before interest, taxes, depreciation, and amortisation (EBITDA) was £8.9m; a positive movement from plan of £0.5m primarily due to less depreciation cost than planned also as a result of less capital expenditure than planned
- The Cost Improvement Programme (CIP) delivered £4.4m savings which was in line with plan
- Capital expenditure £14.4m against a capital plan of £21.4m
- Cash balance of £26.9m closing cash against a plan of £11.8m

Balance sheet

Cash: We ended the year with a cash balance of £26.9m which compares to £14.2m at March 2020. We received £140.7m of PDC and repaid £134.7m of interim support loans as a result of the change in the financial regime due to the pandemic.

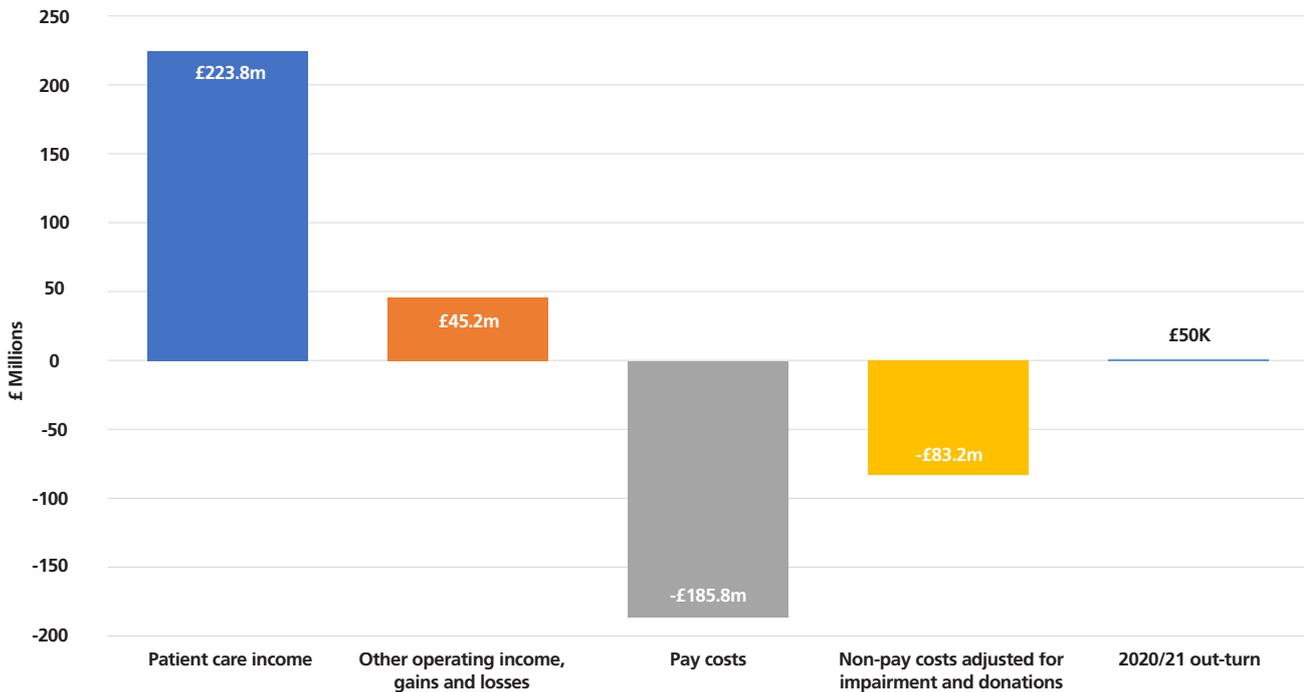
Non-current assets: The value of our non-current assets (including property, plant and equipment and intangible assets) increased by £6m as a result of £12.9m total net additions minus accumulated depreciation of £5.9m and disposals of £1m.

Receivables: Our receivables (current and non-current) have decreased by £8.9m primarily due to NHS debtors paying more promptly and the resolution of long term queries as a result of the change in the financial regime.

Payables: Our payables (current and non-current) have increased by £4.8m primarily due to the accrual of carried over staff annual leave of £3m and an increase in other accruals of £1.8m which cover a number of smaller items, one of the largest being an accrual to purchase additional capacity for MRI and CT to achieve national standards as patient numbers begin to recover to pre COVID-19 levels.

Taxpayers' equity: This represents the method of funding our assets and liabilities. Tax payers equity improved by £140.6m. The main component of our taxpayers' equity is PDC which increased by £140.7m from the previous year. This is as a result of a technical accounting change required by the Treasury and was used to repay £134.7m of interim support loans received.

Analysis of Trust's income and expenditure 2020/21



Income: We received £269m of income which is a £29.6m increase from the £239.4m we received in 2019/20.

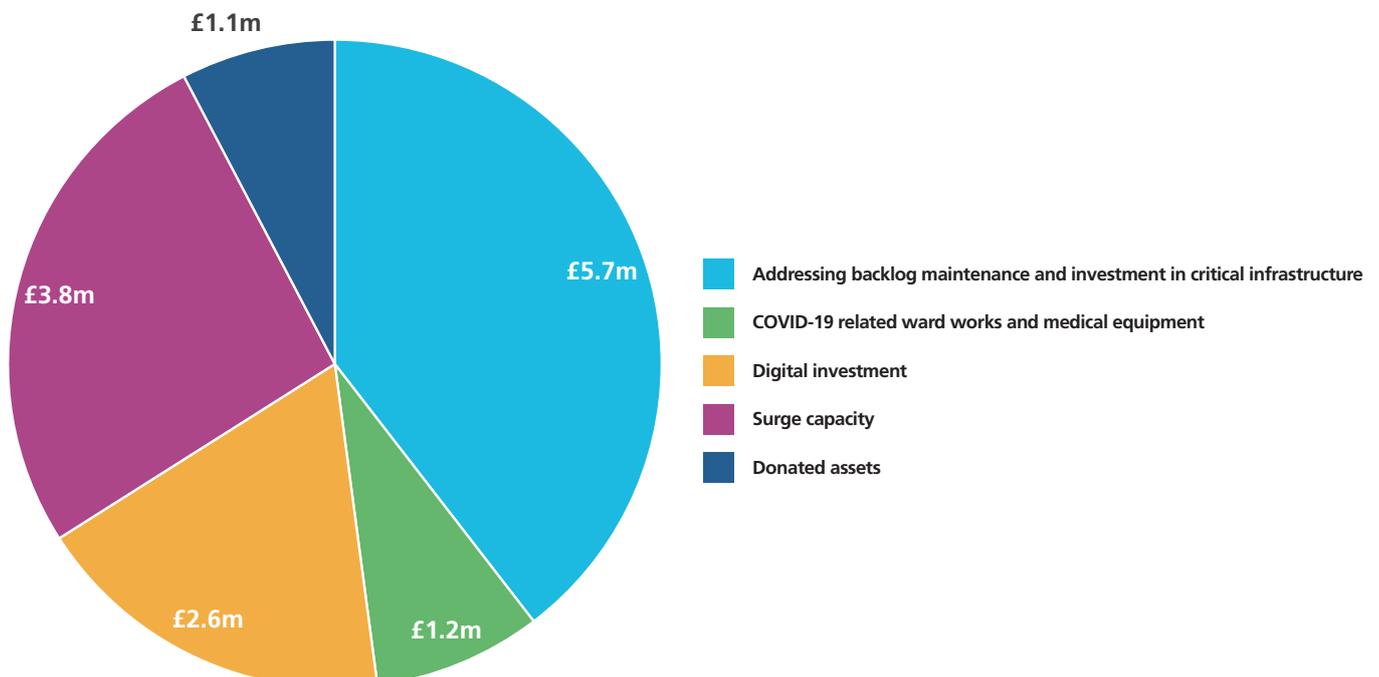
Pay expenditure by staff group: We spent £185.8m on staff costs, which is a £20.8m increase over the 2019/20 total of £165m.

£16.2m of this increase is due to substantive staff costs, £1.6m of which relates to increased employer pension contributions. There was a £4.6m increase in the costs relating to agency spend. £12.4m of the increase in staff costs relates to COVID 19 expenditure funded centrally.

Non-pay expenditure: We incurred £83.2m of non-pay expenditure, which was an £10.9m increase over the 2019/20 total of £72.3m. £2.1m of non-pay expenditure relates to COVID-19 expenditure.

Capital expenditure: Our capital expenditure was £14.4m, a £1.5m decrease on the 2019/20 total of £12.5m. A breakdown of that spend is shown in the chart below.

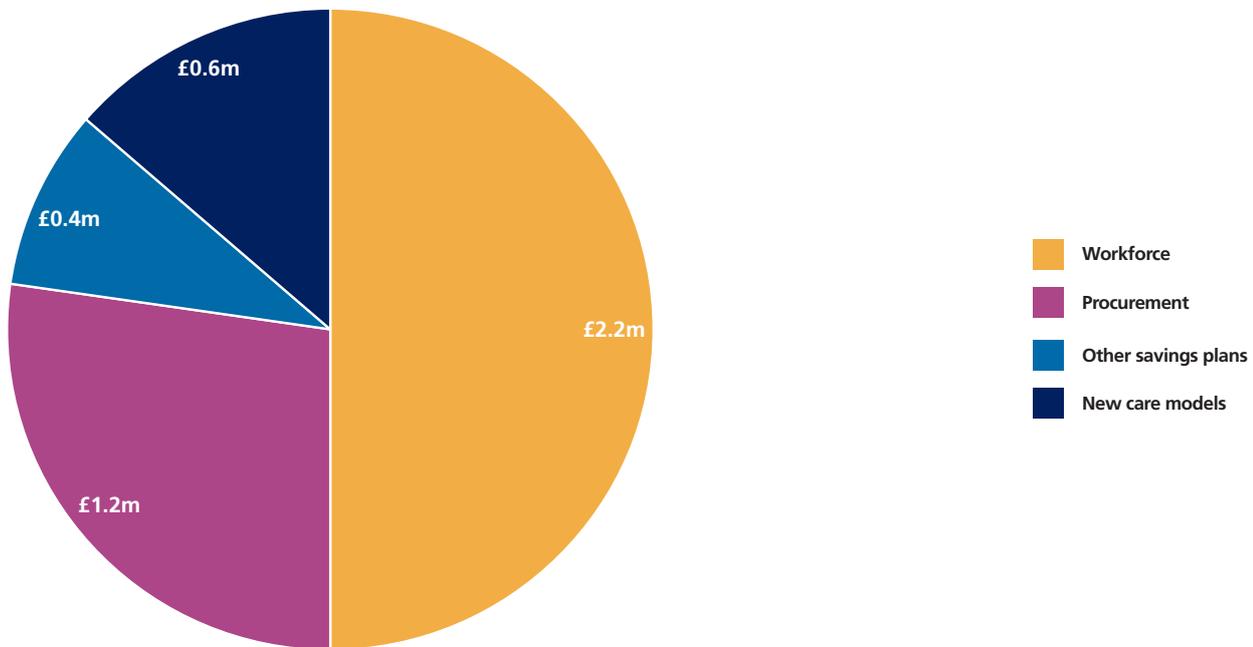
Capital expenditure



Our efficiency programme

We delivered £4.4m in 2020/21 against £6.4m delivered in 2019/20 as part of the Cost Improvement Programme (CIP). The programme focused on reducing costs through focusing on our workforce model, whilst maintaining high quality patient services. A breakdown of the CIP achieved is shown in the chart below.

Analysis of the Trust's CIP 2020/21



Financial planning for 2021/22

The process put in place by NHSE/1 in 2020/21 in response to the COVID-19 pandemic continues in to 2021/22 for the first six-months. The financial arrangements put in place for months one to six have been designed to support us to deliver a break-even position across the Integrated Care System for these months through continuing to use a block payment arrangement with commissioners.

The process to cover months seven to 12 and the requirement to recover activity levels to those of pre-COVID-19 is yet to be finalised nationally at the time of writing. The Trust have built a plan proposal for months one to six based on a set of assumptions that includes a continued level of expenditure levels from 2020/21 into 2021/22 as a result of the pandemic.

We remain committed to using our resources productively to maximise patient benefit.

The controls that were put in place to manage our agency workforce spend as a proportion of our overall pay bill will be reviewed.

Despite working through a pandemic we managed to achieve CIP savings of £4.4m in 2020/21 and in 2021/22 we will look to improve on this delivery.

We aim to build upon this discipline and with the use of benchmarking tools like the Model Hospital and the Getting it Right First Time (GIRFT) reviews will drive the efficiency programme and generate ideas to support the level of transformation required to secure a financially sustainable position.

Our Charity

The net assets of the QEH Charity for 2020/21 were £3.29m compared to £3.58m the previous year; a decrease of 8.8%. This is as a result of total incoming resources for the year of £757,000 in 2020/21 (£2,296,000 in 2019/20). The decrease in incoming resources is primarily the result of a large legacy of £1.6m having been received in 2019/20. Spending increased from £553K in 2019/20 to £1.241m for 2020/21.

We spent £712K on new building projects and refurbishments aiming to provide more comfortable surroundings for patients and staff. From these:

- £603K has been committed to be spent for construction works for the Cancer Wellbeing and Support Centre
- £58K has been committed to be spent on works for the Maternity Bereavement Suite
- £3K was spent to install a new bicycle rack at the hospital

In 2020/21, the Charitable Fund has spent £121K on medical and surgical equipment. Items include:

- Spectralis Optical Coherence Tomography (OCT) machine for the Ophthalmology Department (£57K)
- Brevera Breast Biopsy System (£40K) for the Breast Care
- Slit Lamp set for the Ophthalmology Department (£5K)
- Billilux with Radiometer for the Neonatal Intensive Care Unit (£5K)

A further £250K of Charitable Funds has been used to support nursing staff courses, conferences, symposiums and staff welfare and engagement activities to support and empower the hospital staff to cope with the workload during the COVID-19 pandemic.

£44K of funds have been used to support and improve patient welfare. This has been used to buy wheelchairs, fund patient engagement projects, Christmas presents for patients and free baby scans during the COVID-19 pandemic.

I am delighted to see the excellent progress that QEH has made this year in relation to their innovative and transformational programme of work to address recommendations from their latest CQC report. It is clear already that this work is having a positive impact for patients and staff.

The challenges and demands that have been placed on staff at Trusts across the country have and continue to be unthinkable, but the hard work, leadership and determination of staff at QEH to support and care for some of our most vulnerable patients has been outstanding.

I would also like to thank QEH staff for their continued support in helping to coordinate and deliver the COVID-19 vaccination programme, again, going above and beyond to ensure as many people as possible across Norfolk and Waveney are vaccinated to protect themselves and others.

I look forward to seeing this positive work continue in the months and years ahead as we work together to improve care outcomes and experiences for our patients and members of the public.

Melanie Craig

Chief Executive, NHS Norfolk and Waveney Clinical Commissioning Group &
Executive Lead, Norfolk and Waveney Health and Care Partnership

PERFORMANCE ANALYSIS: OUR CARE

This section outlines the Trust's performance against several key performance indicators. Performance is reported to NHS Improvement/England and the Department of Health and Social Care on a regular basis.

At a glance

Operational performance	2019/20	2020/21	Increase/decrease	% change
Emergency Department attendances	70,381	61,726	-8,655	-12.29%
Emergency Department admissions	30,668	38,701	8,033	26.19%
Patients discharged, admitted or transferred within 4-hours of arrival at the Emergency Department	79.32%	81.92%	2.6	3.27%
Day cases	41,313	19,053	-22,260	-53.88%
Electives	4,563	2,112	-2,451	-53.71%
New outpatient attends	73,769	79,311	5,542	7.51%
Follow-up outpatient attends	274,515	207,320	-67,195	-24.47%

Operational performance summary

Quality measure (%)	2019/20	2020/21 (to February)	Increase/decrease	Target
Patients treated within 62 days of 2-week wait (2ww) referral for all cancers	69.79	73.07	3.28	85%
Patients seen within 14-days of urgent referral for suspected cancer to first outpatient appointment	94.66	96.74	2.08	93%
Patients seen within 14 days of referral with breast symptoms (where cancer is not suspected) to first hospital appointment	84.69	95.26	10.57	93%
Patients receiving first definitive treatment within 31-days from decision to treat	98.42	98.23	-0.19	96%
Patients receiving subsequent treatment (surgery) within 31-days of decision to treat	99.61	97.50	-2.11	94%
Patients receiving subsequent treatment (drug treatment) within 31-days of decision to treat	99.64	100.0	0.36	98%

The impact of COVID-19 on the Trust and the wider NHS has been significant. At the height of the pandemic in January 2021, a significant proportion of the hospital's core bed base was occupied by patients with either confirmed or suspected COVID-19 (>200 inpatients). As a result, we had to significantly change the way care has been delivered, including a reconfiguration of the site and a move towards remote outpatient consultations.

The impact of COVID-19 on all key performance metrics has been marked, specifically those relating to access for elective care. This is consistent with the impact seen across the wider NHS.

Four-hour emergency access standard

During the year, we have focussed on improving the experience of our emergency patients and flow in and through our Emergency Department (ED) and out of the hospital.

In light of COVID-19, we made a number of proactive changes to the ways in which patients flow into and through the organisation. These include:

- Splitting ED to deliver a red (COVID-19) footprint within the Day Surgery Unit alongside an amber (non-COVID-19) footprint within the substantive ED. This has resulted in flexible and innovative ways of working which have been embraced by the ED team
- Developing a co-located red Same Day Emergency Care Unit (SDEC), which was set up alongside red ED to support rapid decision-making and turnaround for patients who would previously been admitted to a red ward

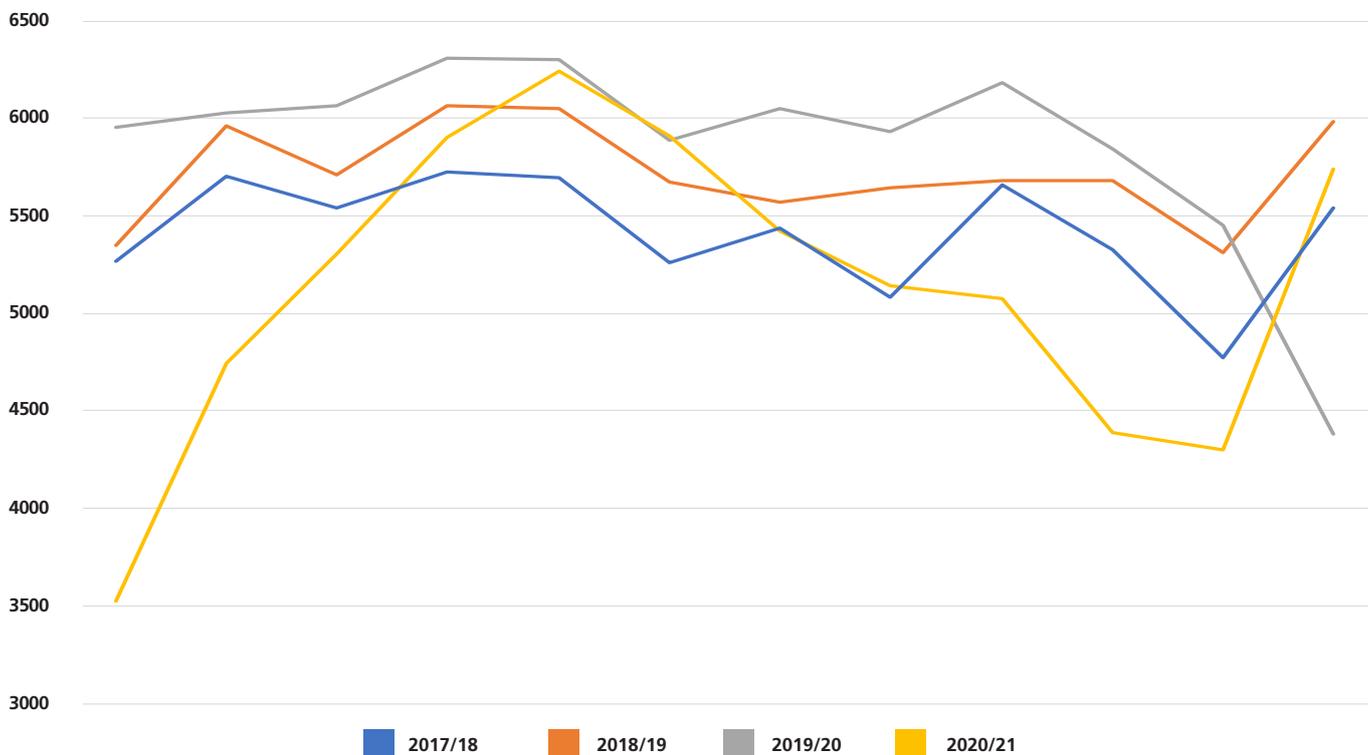
Despite this proactive work, we admitted, discharged or transferred just 81.82% of patients from our ED within four hours of their arrival against the national standard of 95%. This compares with 79.3% in 2019/20.

Year	Attendances	Breaches	Performance %	Variance to previous year	Growth
2017/18	65,003	9,409	85.52%	+2,685	4.30%
2018/19	68,673	12,028	82.48%	+3,670	5.64%
2019/20	70,381	14,597	79.26%	+1,708	2.48%
2020/21	61,726	11,220	81.82%	-8,655	-12.29%

I spent 13 days on Tilney Ward and all the staff were nothing short of amazing. They were really caring and asked about my wellbeing and whether I needed anything. They all worked tirelessly to ensure I was as comfortable as possible. I want to say a big thank you to them all for looking after me while I was ill with COVID-19.

Tilney Ward patient

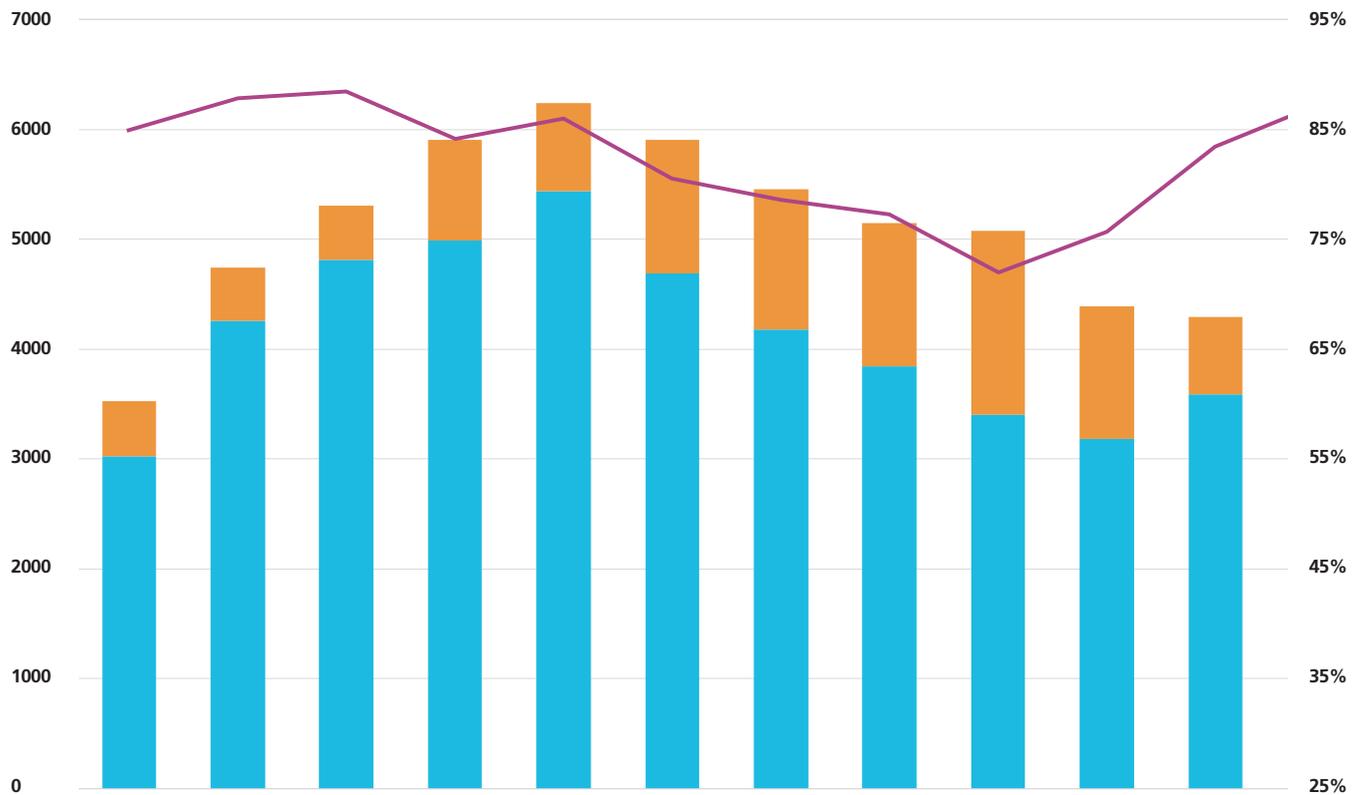
Emergency Department (ED) attendances



Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2017/18	5,270	5,699	5,538	5,725	5,698	5,257	5,437	5,083	5,656	5,327	4,774	5,539
2018/19	5,351	5,963	5,707	6,063	6,051	5,672	5,572	5,640	5,678	5,681	5,311	5,984
2019/20	5,950	6,031	6,068	6,309	6,299	5,889	6,051	5,929	6,183	5,845	5,448	4,379
2020/21	3,527	4,741	5,306	5,899	6,242	5,906	5,419	5,145	4,076	4,389	4,296	5,742

A number of factors have had a detrimental impact upon our ED performance. These include ED not being designed to accommodate the volume of attendances we are now experiencing (8% increase in ED attendances over the last three years), as well as high numbers of patients waiting in our ED for a hospital bed.

ED attendances with performance %



2020/21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total attendances	3,527	4,741	5,304	5,901	6,242	5,906	5,457	5,145	5,076	4,389	4,296	5,742
Under four-hours	3,020	4,254	4,810	4,984	5,439	4,686	4,176	3,840	3,406	3,180	3,586	5,125
Over four-hours	507	487	494	917	803	1,220	1,281	1,305	1,670	1,209	710	617
Performance	85.63%	89.73%	90.69%	84.46%	87.14%	79.34%	76.53%	74.64%	67.10%	72.45%	83.47%	89.25%

It is important to note that emergency access performance improved significantly following separation of the red and amber emergency areas, which demonstrates that when the hospital has the space and capacity it needs in ED, it can deliver timely care for patients.

Our Programme Management Office will build on the learning from COVID-19 to deliver internal performance and improvement plans for urgent and emergency care during 2021/22. As part of this work, dedicated workstreams will be set up to focus on three key areas – front door and site management, ward processes and discharges.

In addition, we are continuing to work with our partners on demand management and admission avoidance schemes which will help us to manage increasing pressure on our ED while also minimising delays in discharging patients to appropriate care settings.



CASE STUDY

Vaccination - flu and COVID-19

The Trust topped the table nationally for its flu vaccine uptake during the autumn of 2020 with 99.1% of patient facing staff being vaccinated against the flu.

This impressive feat follows two months of dedication and hard work from the Trust's flu vaccine team who through a mixture of drop-in clinics, peer vaccination sessions and the Trust's successful 24 hour jab-a-thons have made this possible.

The success meant the local community were better protected and the chances of flu passing through the hospital during the winter months were significantly reduced. This was very much evidenced by the Trust having zero flu-related admissions during the winter of 2020/21 compared to 207 the previous winter.

This is a fantastic example of Team QEH as its best - really getting behind the campaign and showing great passion and dedication in protecting patients.

The Trust also experienced a successful roll-out of the COVID-19 vaccinations after opening its dedicated COVID-19 Vaccination Hub on 30 December 2020 and soon becoming one of the largest centres in West Norfolk.

Staff worked tirelessly around the clock to administer 450 doses of the vaccine every day, and in its first two months administered over 19,000 vaccine's to the local community, healthcare workers and patients, including over 87% of the Trust's own workforce.

The Trust received considerable praise and gratitude from the local community in response to the way it delivered the roll-out, with special notice given to the efficiency and smooth running of the vaccination centre which showed the NHS as its best.

Winter planning 2020/21

During the winter, the NHS forecasts a sustained increase in demand for urgent and emergency care with increased acute presentations, including respiratory, gastrointestinal and cardiovascular disease. Infectious diseases become more prevalent and the impact of influenza, respiratory syncytial virus, norovirus and rotavirus can be considerable. Cold weather-related physiological changes can also trigger health problems, such as a winter peak in acute myocardial infarction. This additional demand increases inpatient bed pressure and Emergency Department overcrowding. Poor patient flow due to high bed occupancy adversely affects both urgent and elective pathways across medical and surgical specialties. It is critical for the Trust to plan to meet these inevitable seasonal pressures so as to mitigate the potential detrimental impact on timely access to care and patient experience.

The overarching aim of our winter plan is to maintain timely access to care, patient safety and patient flow while ensuring there is sufficient capacity to meet demand. For winter 2020/21, our plan was to achieve this by safely avoiding admissions, safely creating more capacity, safely reducing length of stay and maintaining operational grip and control.

In order to safely avoid admissions and reduce demand for overnight stays, we maximised same day emergency care across medicine and surgery, building on the estates and service developments which took place during 2019/20. We planned to open additional beds in the peak winter periods to ensure sufficient inpatient capacity. The opening hours of our Discharge Lounge were extended to support patient flow in the early morning and later in the evening, when a second peak in ED attendances often occurs. Before the winter, we also revised our capacity and flow systems and processes, including the full capacity protocol, so that we could ensure we had robust governance and escalation arrangements in place to maintain operational grip and control.

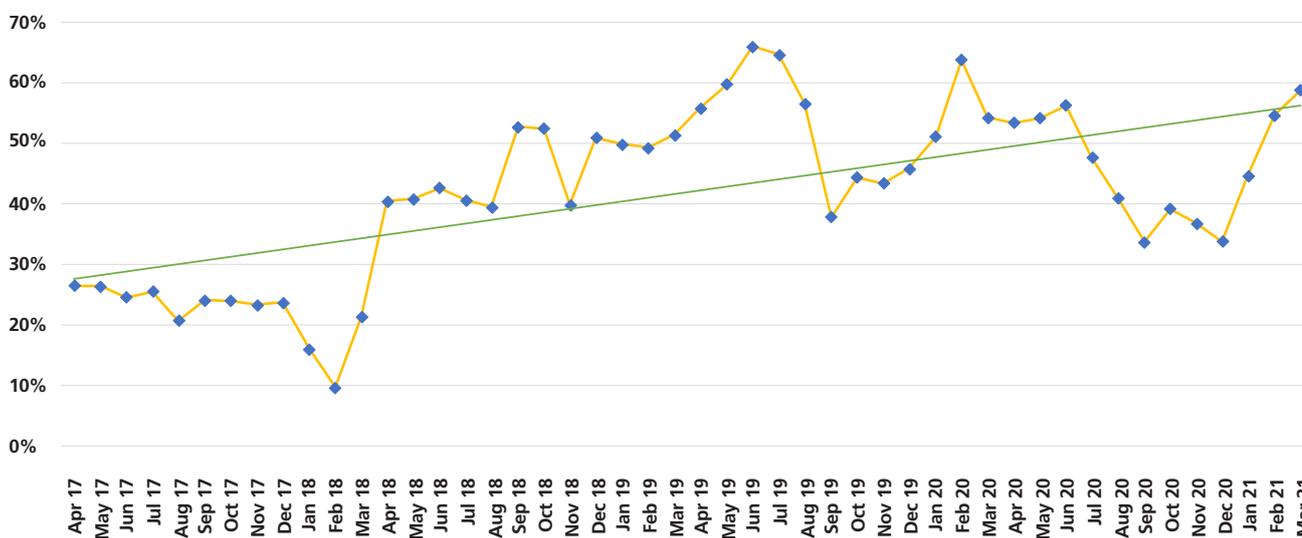
The flu vaccination is one of the most effective interventions the NHS has to reduce pressure on the health and social care system during the winter. We vaccinated 100% of our frontline staff during 2020/21 to help keep our patients and staff safe and reduce the impact of flu-related staff sickness on service delivery.

Ambulance handover

Intrinsically linked to the four-hour emergency access standard (see page 27), is our ability to receive patients from ambulances. This target, known as the handover waiting time, shows the amount of time the ambulance and crew have had to wait with the patient before the Emergency Department was able to accept the patient. The standard expected is that a patient is handed over within 15-minutes.

While there have been fluctuations in performance historically, we have seen an improvement in ambulance handovers of more than 15-minutes over recent years due to a range of actions which have been taken.

Ambulance performance (<15-minutes)



Cohorts	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
0-15 minutes	705	838	990	918	790	631	726	660	630	759	892	1,142
15-30 minutes	525	588	657	770	753	730	665	637	613	687	624	661
30-60 minutes	83	99	103	162	229	306	225	251	238	113	97	98
60-120 minutes	7	23	8	52	131	164	159	173	215	67	14	37
120 minutes +	0	0	0	24	22	41	76	74	168	73	5	5
Grand total	1,320	1,548	1,758	1,926	1,925	1,872	1,851	1,795	1,864	1,699	1,632	1,943

We have worked with the East of England Ambulance Service to reduce the length and number of ambulance handover delays and remain committed to improving this position and delivering a better patient experience.

Cancer access targets

Our cancer services receive in excess of 673 two-week wait referrals per month. This has been impacted by COVID-19.

We achieved five of the seven national cancer targets in 2020/21. We have consistently delivered against the:

- Cancer Two-Week wait
- 31-Day diagnosis to treatment
- 31-Day subsequent treatment (drug)
- 31-Day subsequent treatment (surgery)
- 62-day screening

We did not achieve against the following key metrics:

- Two-Week wait (Breast symptomatic)
- 62-day referral to treatment

Our performance against the 62-day standard has been below the national standard and remains a key area of focus going into 2021/22. We recognise that there are a number of reasons for this and significant work has been carried out to ensure we are delivering timely care for our patients with support from the Cancer Intensive Support Team.

Cancer Services have continued to focus on reducing the 104-day backlog. Alongside this, we have recruited a substantive Lead Cancer Nurse/substantive Cancer Manager and a Clinical Lead, who are working collaboratively to drive improvements in our care pathways. A trajectory for recovery is in development and will be in place for April 2021.

Cancer performance

2020/21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2-Week Wait	93.7%	97.6%	97.7%	97.8%	95.8%	98.1%	97.2%	96.6%	96.4%	96.1%	95.4%	TBA
31-Day	96.9%	100%	97.5%	100%	100%	100%	97.6%	99.1%	97.4%	97.3%	95.3%	TBA
62-Day	76.1%	58.1%	79.4%	84.9%	62.3%	83.8%	76.1%	77.9%	65.7%	62.4%	73.8%	TBA

Eighteen-week referral to treatment standard (RTT)

With regard to the performance against the 92% national standard we have achieved a total performance of:

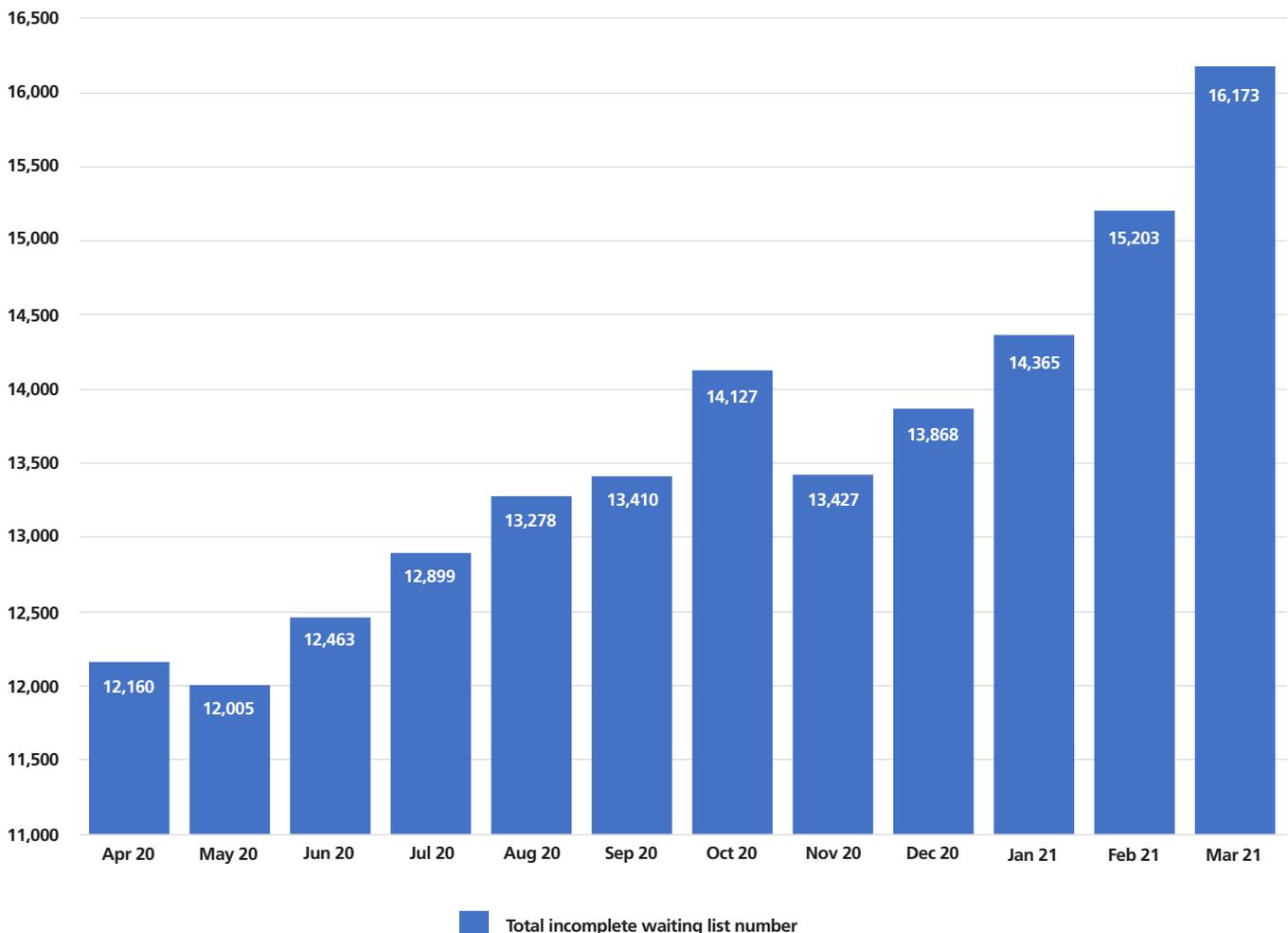
- March 2021 - 58.23%
- March 2020 - 79.29%
- March 2019 - 79.82%
- March 2018 - 81.05%
- March 2017 - 92.38%

2020/21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total incomplete waiting list number	12,160	12,005	12,463	12,899	13,278	13,410	14,127	13,427	13,868	14,365	15,203	16,173
Patients waiting under 18-weeks	7,551	6,399	5,743	6,015	7,479	8,480	9,637	9,099	9,154	9,022	9,152	9,418
Patients waiting 18-weeks and over	4,609	5,606	6,720	6,884	5,799	4,930	4,490	4,328	4,714	5,343	6,051	6,755
Performance	62.1%	53.3%	46.0%	46.6%	56.3%	63.2%	68.2%	67.7%	66.0%	62.8%	60.2%	58.2%

Our performance key performance indicators (KPIs) which relate to access to elective care have been significantly affected by the pandemic as we suspended all non-urgent elective admitted activity and reduced face-to-face outpatient appointments in line with national guidance. The exception to this was patients referred on a suspected cancer or urgent pathway, who were still seen either virtually or face-to-face.

The Sandringham Ward, which is ring-fenced for surgical capacity, was also converted to amber surgical capacity at the height of the pandemic. We took various actions to mitigate the impact of this change, including sourcing additional capacity for Orthopaedic and Gynaecology activity through independent sector providers.

Due to a decrease in COVID-19 inpatients, Sandringham Ward returned to a green surgical ward in February 2021, providing 26 inpatient beds.



Participation in clinical research

We recruited around 2,000 patients to research studies during 2020/21, a 116% increase from the previous year. This was driven by the proliferation of urgent public health COVID-19 studies. We are proud to have been part of these studies, which contributed to the discovery of medications which have become standard care in patients with COVID-19, such as dexamethasone and tocilizumab.

In 2020/21, we recruited to 32 National Institute for Health Research (NIHR) portfolio studies, which covered a wide range of specialties including Critical Care, Stroke, Dermatology, Gastroenterology, Cancer, Renal and Infectious Diseases.

In line with our strategy to embed research into clinical practice and increase research capacity, Dr Kamalram Thippu Jayaprakash became a recipient of the Greenshoots scheme, which is designed to develop principal investigators to lead future NIHR portfolio studies on-site.

CASE STUDY

Breast Cancer research trial

The Trust has become the first District General Hospital in Europe to enrol volunteers to a vital breast cancer research trial, which investigates whether breast cancer can be detected earlier if markers in the blood can be identified in women at a high risk of developing the condition.

People at high risk of developing breast cancer often undergo a double mastectomy, so detecting the disease at an earlier stage could be a major step forward to eliminate the need to have surgery.

The hospital's breast screening department and research teams worked collaboratively to invite every woman who was eligible to join the trial.

The study was put on hold very early on due to the impact of COVID-19, however when studies were able to restart the Trust's team spotted an opportunity to get the vital study underway. Despite the challenging odds the team ensured that essential research continued to find new treatments to benefit as many people as possible.





BARCO



SECTION 2

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DIRECTOR'S REPORT

HOW OUR HOSPITAL IS GOVERNED

What is a Foundation Trust?

A Foundation Trust is a public benefit corporation. This means:

- The Trust is accountable to the communities we serve through the Governors' Council and Foundation Trust members
- Members of the Foundation Trust elect public and staff representatives from the membership to serve on a Governors' Council
- The Trust is independent and accountable direct to Parliament
- The Trust remains part of the NHS
- Our key regulators are NHS Improvement (referred to here as 'the regulator') and the Care Quality Commission
- A Foundation Trust has both a Board of Directors and a body to represent the interests of its membership and the community it serves. At the Queen Elizabeth Hospital, this body is called the Governors' Council. The Governors' Council has a range of statutory, strategic and locally determined functions
- The Trust operates within a framework of corporate governance. This is defined by the Department of Health and Social Care's Integrated Governance Handbook as "the systems, processes and behaviours by which the Trust leads, directs and controls its functions in order to achieve organisational objectives, safety and quality of service as they relate to patients and carers, the wider community and partner organisations"

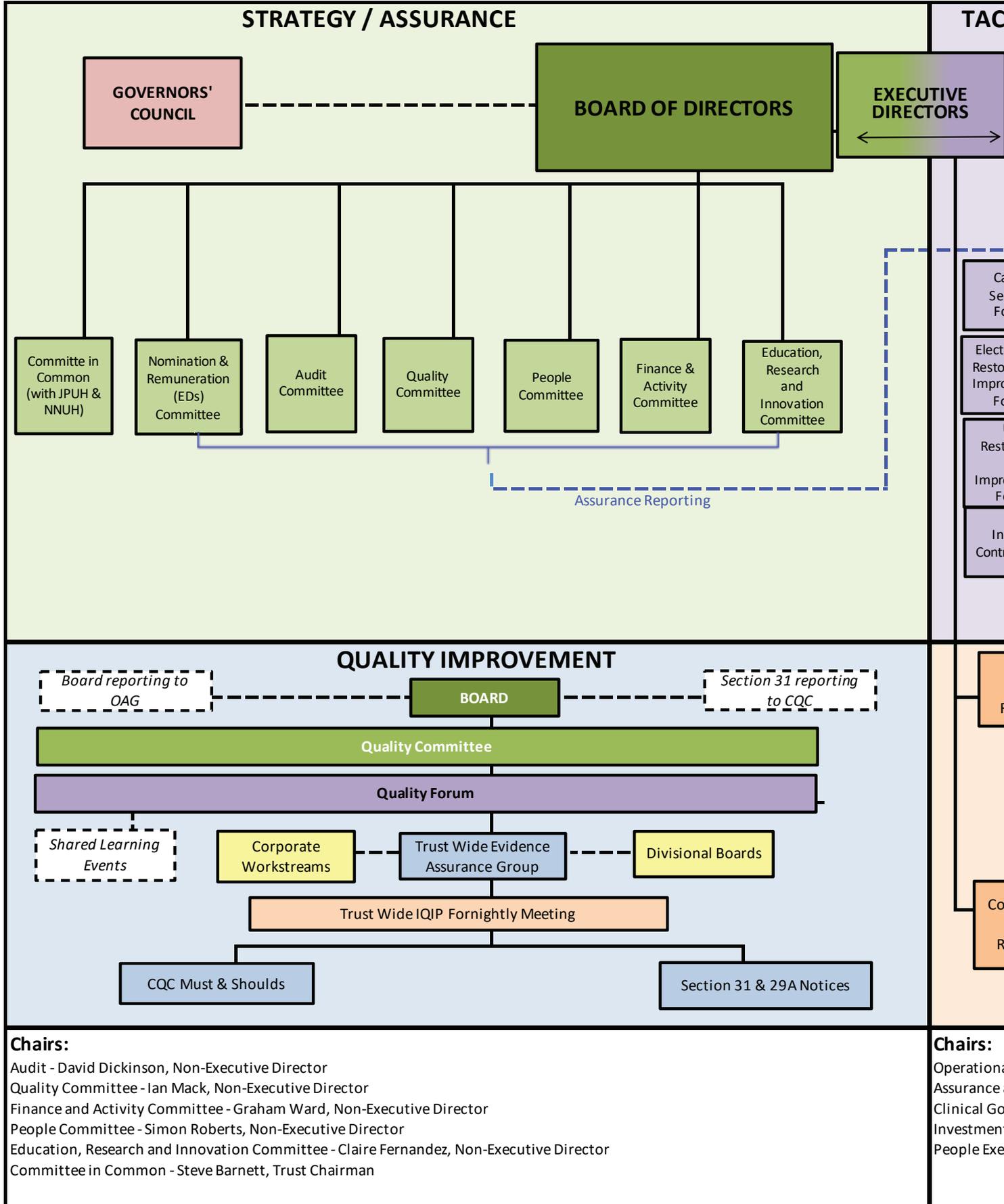
The past year has seen the Lynn News working closely with QEH on several fronts. For a start the Maternity Bereavement Suite was (overwhelmingly) voted as our Charity of the Year. We have featured something like 50 stories about this and I have been moved in particular by the personal stories of those patients who have touched by tragedy and the support they have received from the caring staff of the hospital. We extended the appeal into 2021 given the disruption thrown up by COVID-19 and we look forward to the suite opening later this year.

In addition we very strongly back the "Back our Bid" campaign for the building of a new hospital in King's Lynn. This is not only needed for our readers but is vital if the very existence of our wonderful hospital is to be guaranteed.

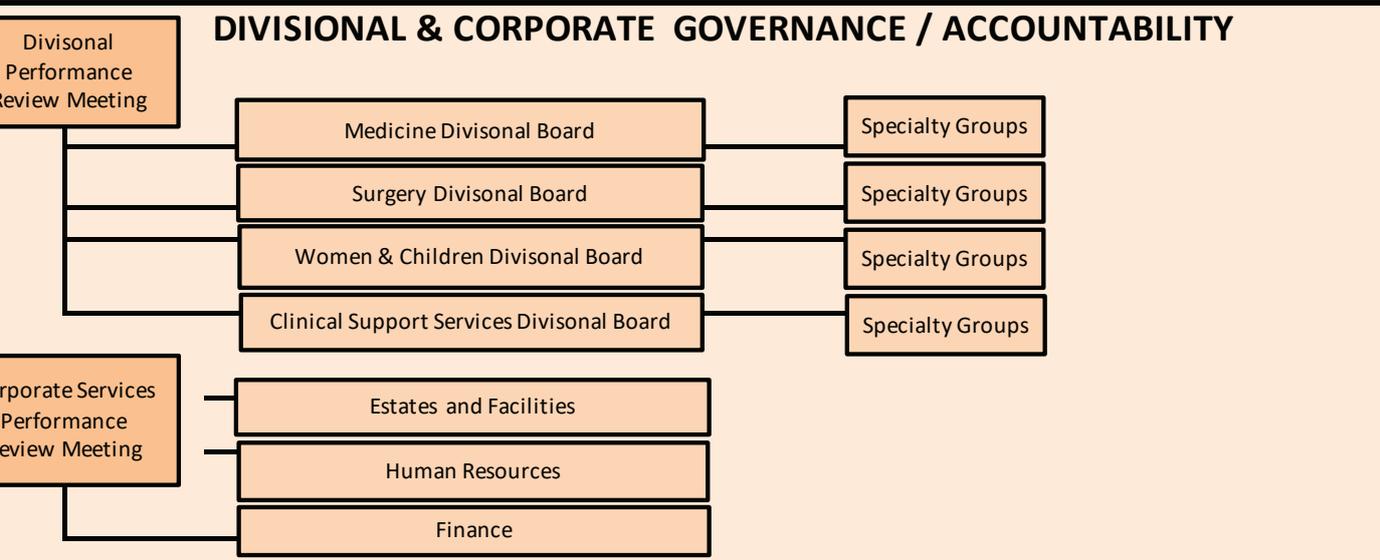
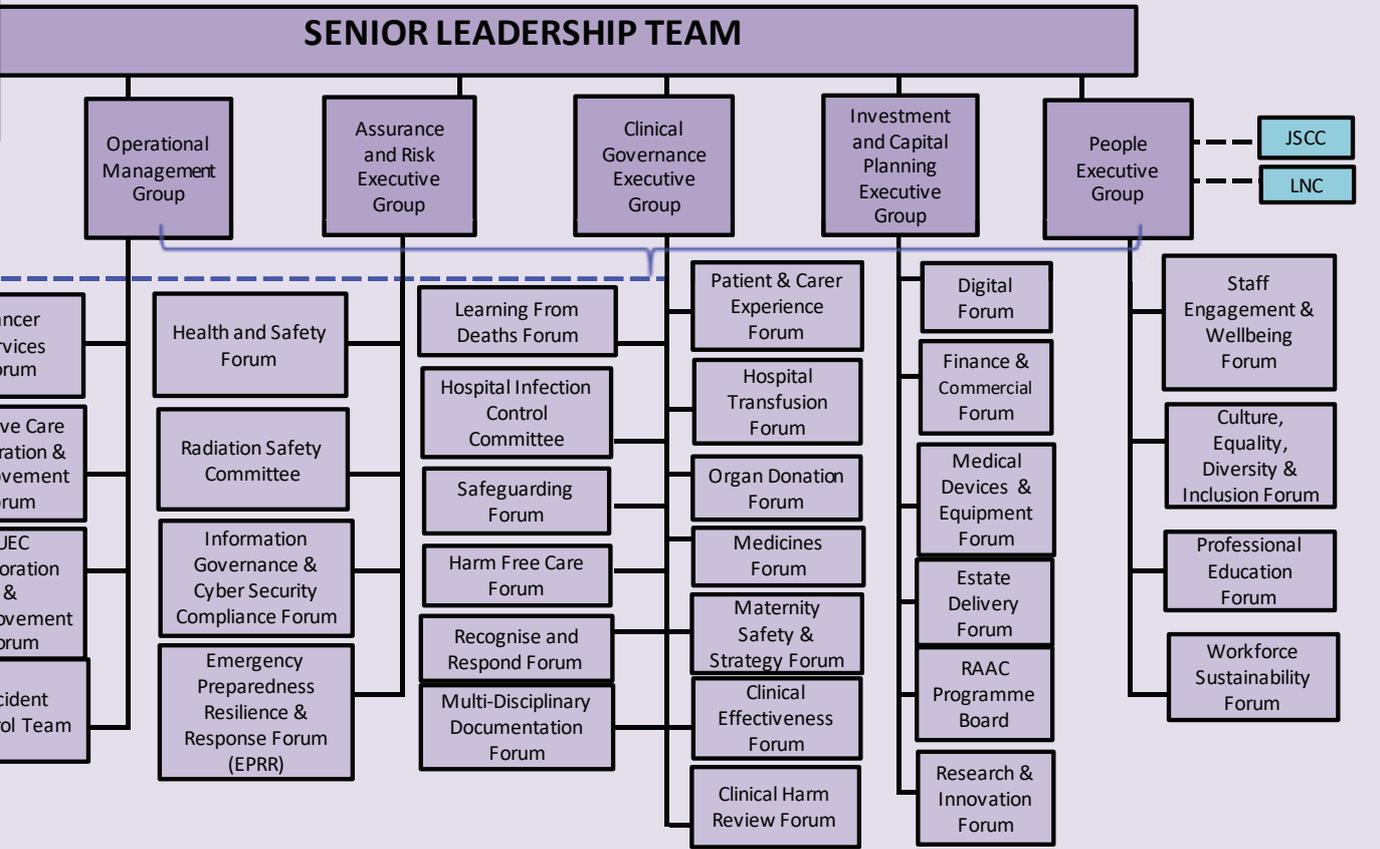
Not every story the Lynn News will feature on QEH will be altogether complementary. That is unavoidable and we have to reflect that. But we never doubt the commitment, caring and ethos of public service that makes the NHS so beloved.

Mark Leslie
Editor, Lynn News

GOVERNANCE STRUCTURE - MARCH 2021



STRATEGIC PLANNING / OPERATIONAL DELIVERY & MONITORING



Operational Management Group - Chief Operating Officer
 Assurance and Risk Executive Group - Director of Patient Safety
 Clinical Governance Executive Group - Medical Director / Chief Nurse
 Investment and Capital Planning Executive Group - Director of Finance
 People Executive Group - Director of People





OUR BOARD

Non-Executive Directors



Professor Steve Barnett
Trust Chairman

Steve has more than three decades of experience working in senior NHS positions and was previously Chair at West Hertfordshire Hospitals NHS Trust for three years, during which time the hospital was removed from special measures. Steve is no stranger to our hospital, having supported work on our quality improvement programme which saw the Trust exit special measures in 2015.



Alan Brown
Non-Executive Director, Vice Chairman and Senior Independent Director

Alan worked in digital solutions for 40 years, the last 13 of which were in healthcare. He moved to Norfolk in 2016 and continued to work part time as a partner in a consultancy company until July 2019.

Alan has been a Non-Executive Director for six years, initially at Hinchingsbrooke Healthcare NHS Trust and, more recently, at North West Anglia NHS Foundation Trust. He joined the Board at QEH in May 2018 and is Vice Chairman of the Trust and Senior Independent Director. Alan is Chair of the Charitable Fund Committee and also sits on a number of collaboration committees and boards across the Norfolk health system.



Dr Ian Mack
Non-Executive Director

Ian spent most of his working life in the NHS as a doctor in West Norfolk. He came to the Queen Elizabeth Hospital as a house physician in 1985. He was a GP in West Norfolk between 1992 and 2017 and held a number of senior roles on NHS boards in Norfolk, leading clinical improvements particularly for services supporting older people. Ian was Chair of West Norfolk CCG for four and a half years until his retirement as a GP. Ian is Chair of the Trust's Quality Committee.



Simon Roberts
Non-Executive Director

Simon is an experienced business leader and adviser, having worked substantively and as a consultant/adviser in the NHS and private healthcare markets and holding executive leadership positions in both. He has worked extensively for, and across, NHS England on system and commissioning transformation. This includes leading major change and transition programmes and providing strategic oversight and direct support, notably to evolving Integrated Care Systems. Simon is Chair of the Trust's People Committee.



Graham Ward
Non-Executive Director

Graham is a chartered accountant who has more than 35 years' experience in senior financial and commercial roles within the accountancy profession, industry, higher education and management consultancy. He has extensive NHS Non-Executive Director experience, including at Sherwood Forest Hospitals NHS Foundation Trust, where he also chairs the Audit Committee. Graham is Chair of the Trust's Finance and Activity Committee.



David Dickinson
Non-Executive Director

David moved to West Norfolk after retiring from the post of Director of Resources at Newark and Sherwood District Council in Nottinghamshire. He is a qualified accountant and was a member of the Chartered Institute of Public Finance and Accountancy. David is Chair of the Audit Committee.



Jackie Schneider
Non-Executive Director (retired January 2021)

Jackie is a nurse and has worked in the NHS for over four decades across a range of clinical environments in both clinical and senior Clinical Leadership positions. She retired in 2018 having been the Registered Nurse on the Governing Body of North Norfolk Clinical Commissioning Group for six years. At county level, Jackie has also held lead roles in quality agendas such as Adult Safeguarding and Infection Prevention and Control.



Dr Claire Fernandez
Non-Executive Director (from July 2020)

Claire is a research manager with significant experience in project delivery and strategy working across universities, research organisations, industry and NHS provider and commissioner services. She has a background in academic science and spent 10 years carrying out fundamental research at Cambridge and Oxford research institutes. Claire is passionate about delivering evidence-based, high quality care to improve patients' outcomes and experience.

Claire is Chair of the Education, Research and Innovation Committee, and the Board Maternity Safety Champion.

OUR BOARD

Executive Directors



Caroline Shaw CBE
Chief Executive

Caroline joined us as Interim Chief Executive at the start of 2019 and was appointed permanently in September 2019 after making a considerable positive impact. She started her NHS career as a nurse before moving into midwifery and then leadership roles at Trusts around the country, including Leicester, Nottingham and Manchester. Caroline became a commander of the Order of the British Empire (CBE) in 2013 for services to the NHS.



Laura Skaife-Knight
Deputy Chief Executive

Laura moved to Norfolk and joined QEH in October 2019 following 12 years at Nottingham University Hospitals NHS Trust, where she was Director of Communications and External Relations. She has almost 20 years' experience working at large acute teaching hospitals in the East Midlands, including Nottingham, Leicester and Derby Hospitals.

Laura's portfolio at QEH includes the Trust strategy, digital, sustainability and transformation partnership, transformation and improvement, organisational culture, staff engagement, communications, Freedom to Speak Up, Governors, volunteers and fundraising, as well as deputising for the Chief Executive.



Dr Frankie Swords
Medical Director

Frankie completed her medical training in Oxford and then London and had been a consultant physician specialising in endocrinology for more than 10 years prior to joining QEH. She held various leadership positions at the Norfolk and Norwich University Hospital, before joining our team as Medical Director in September 2019. She has three children and a dog, and continues to practise as an endocrinologist one day a week.



Libby McManus
Chief Nurse (to August 2020)

Libby joined the QEH as Chief Nurse in July 2019 from Royal Free London NHS Foundation Trust, where she had been Chief Transformation Officer, leading change at scale across a growing group of hospitals. Her portfolio at QEH included patient experience and the professional leadership of nurses, midwives and allied health professionals.



Dr April Brown
Chief Nurse (from August 2020 to March 2021)

April has had a varied 31-year career in general nursing practice, as well as at the Department of Health and Social Care, the National Patient Safety Agency and in healthcare regulation. In 2013, she completed a Doctorate in Health Research at the University of Hertfordshire on the impact of the modern matron on care quality. April is proud to have been the Honorary Commander for nursing at RAF Lakenheath for the United States Airforce since 2016, where she enables reciprocal learning between the US and UK colleagues.



Carmel O'Brien
Interim Chief Nurse (from March 2021)

Carmel joined the Trust in November 2019 as Director of Patient Safety. She is a registered nurse and midwife with more than 30 years of experience across acute, community and primary care settings in the UK and Australia, and spent nine years as a Chief Nurse for CCGs across the East and West Midlands. She brings with her a wealth of experience in quality and safety assurance systems and is passionate about ensuring the provision of high quality compassionate care for patients



Denise Smith
Chief Operating Officer

Denise joined QEH on an interim basis in April 2019 from Sherwood Forest Hospitals NHS Foundation Trust, where she had been Deputy Chief Operating Officer since 2017. She became our substantive Chief Operating Officer in March 2020. Denise's portfolio includes the operational service delivery of the clinical divisions, the annual operational plan and constitutional standards.



Chris Benham
Finance Director

Chris joined the team in January 2020 from University Hospitals of Leicester NHS Trust, where he was the Director of Operational Finance for four years. Prior to that, he spent the previous three years working as the Deputy Director of Finance at Calderdale and Huddersfield NHS Foundation Trust.

Chris began his NHS career as the Assistant Director of Finance at Shrewsbury and Telford Hospitals NHS Trust in April 2009.



Jo Humphries
Director of People (from March 2021)

Jo has extensive experience spanning three decades in the private sector, where she has a track record of developing and implementing successful people strategies and leading culture transformation and leadership performance improvement programmes.

She joined QEH from Arriva PLC, a fully owned subsidiary of Deutsche Bahn with over 55,000 employees, where she was Group Transformation Director. Prior to this, Jo held several senior people positions in the company, including Corporate Affairs Business Change Director, Group Organisational Effectiveness Director and People and Change Director. Before joining Arriva, she was Group Head of Learning and Development and Head of HR at Dixons and Currys.

Advisors to the Board (non-voting)

Carmel O'Brien
Director of Patient Safety (from November 2019 to March 2021)

Cath Castleton
Director of Human Resources (from January 2020 to February 2021)

Carly West-Burnham
Director of Strategy (from January 2020)

Louise Notley
Acting Director of Patient Safety (from March 2021)

STATUTORY STATEMENTS

As part of the Directors' Report the Trust is required to make the following statutory statements:

- So far as the Directors are aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information
- The Trust can confirm that it has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance
- The Trust has made no political donations to any individual, body or organisation in 2020/21
- The Trust works to the Better Payment Practice Code. We aim to pay at least 95% of invoices within the agreed terms, unless there is a dispute or for other reasons. For most of our partners, this would be within 30 days of the date of invoice or receipt of goods and services. However, due to funding constraints within the Trust it has for the past few years paid suppliers between 47-53 days. As our Trust is committed to working with all of our supplier partners fairly, consistently and professionally, all suppliers are paid to these terms (unless they are very small local businesses). All suppliers receive a payment each week if there is one due under the extended payment days, subject to those in query/dispute

The Trust's performance in 2020/21 is shown in the following table

Better payment practice code	Number	£'000
Non-NHS		
Total bills paid in the year	53,259	83,237
Total bills paid within target	43,878	62,914
Percentage of bills paid within target	82.4%	75.6%
NHS		
Total bills paid in the year	1,118	16,734
Total bills paid within target	692	11,879
Percentage of bills paid within target	61.9%	71.0%
Total		
Total bills paid in the year	54,377	99,971
Total bills paid within target	44,570	74,793
Percentage of bills paid within target	82.0%	74.8%

WELL-LED FRAMEWORK

The regulatory definition of a 'well-led' organisation is one where the leadership, management and governance of the organisation:

- Ensure the delivery of sustainable, high quality, person-centred care
- Support learning and innovation
- Promote an open and fair culture

The 2019 Care Quality Commission (CQC) inspection found the Trust to be 'inadequate' in the 'well-led' domain. Whilst we remain rated 'inadequate' until a further inspection can be carried out (which has been delayed due to the COVID-19 pandemic), we have continued to receive well-led support from NHS Improvement.

A well-led assessment was incorporated in the CQC's unannounced core service inspection in September 2020, and confirmed an improved rating of 'requires improvement' for Urgent and Emergency Care, Medicine, End of Life Care and Diagnostic Imaging. The report, published in December, was accompanied by a message from Professor Ted Baker, Chief Inspector of Hospitals, who noted the improvements we have made and highlighted a real change in culture, with staff more positive and engaged and improvements in patient safety, experience and Infection Prevention and Control.

We commissioned NHS Improvement to carry out a well-led review to assess our progress, which concluded in October 2020. The findings were positive, and provided assurance that the governance structure and leadership changes we have made are starting to embed and lead to evidence of improvement. Following this review, the sub-committees of our Board carried out an effectiveness review during February and March 2021. The outcomes will be considered at our committee meetings during April 2021, with a final report discussed by the Board in May 2021.

During 2020/21, the Non-Executive Director contingent of the Board has been maintained at the maximum allowed by the Constitution, with the Governors making two high calibre Non-Executive Director appointments with senior level experience. Substantive Executive Director appointments were also made to the positions of Chief Nurse and Director of People. At the year end, recruitment processes were well underway to substantively appoint a Director of Patient Safety to ensure continued focus on quality improvement and safety.

The Trust put in place revised governance arrangements in response to the COVID-19 pandemic. The measures were designed to maintain effective corporate governance arrangements while also adhering to national guidance and recognising the exceptional operational pressures being experienced by staff. In line with our adjustments to shorten meetings and conduct meetings virtually, our Non-Executive Director-led committees, which report to the Board, have continued throughout the year, providing scrutiny and assurance. Assurance reports submitted by these committees are received by the Board in public to increase openness and transparency.

Throughout the year, we have been implementing our new, independently-facilitated Board development programme which recognises the importance of Board-level relationships and communication for a cohesive, high-performing unitary board. The programme is structured into three areas - Board-craft, Board responsibilities and high performing unitary boards – all of which were identified by the CQC and during our 2018 Board review.

We have also implemented the strategies we adopted to address and respond to this feedback, which includes introducing bespoke leadership development programmes for the Divisional Leadership Teams and wider Trust leaders. Following a temporary pause for COVID-19, leadership training for band 5, 6 and 7 staff restarted in October. In addition, we also held our first Leadership Summit on 16 March 2021 which attracted nationally renowned speakers from both inside and outside the NHS.

As part of our work to develop and sustain a culture of continual quality improvement (QI) to ensure we consistently deliver safe, high quality care, we have adopted Quality Service Improvement and Redesign (QSIR) as our quality improvement methodology. QSIR is the only nationally-accredited QI methodology training programme and focuses on service improvement. The first cohort of 35 staff completed this training in September 2019 and a further 30 staff, who formed our second cohort, began their training in March 2020. Four staff also begun the QSIR facilitator training programme with the QSIR College, with the aim of delivering in-house QSIR training to QEH staff thereafter. Unfortunately, all QSIR training was paused due to the pandemic, with the aim of restarting in 2021/22. Despite this, we have continued to promote quality improvement projects across the Trust, which has been supported by 'room for improvement' funding and the launch of a new monthly QI newsletter to showcase the staff-led improvements which have taken place.

During the year, we also commissioned an external stakeholder perception review to gain an independent perspective of what our partners and key external stakeholders think of QEH and how we interact with them. Stakeholders welcomed the opportunity to take part and their feedback showed recognition of a positive direction of travel and a shift in the culture of the Trust. The auditors which undertook the review were impressed by the response which we received.

REMUNERATION REPORT

Trust remuneration report

The remuneration report has been audited.

Annual statement on remuneration

In accordance with the regulator's code of governance, The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust has two Nomination and Remuneration Committees dealing with the remuneration of the Non-Executive Directors (NEDs) and Executive Directors (EDs) respectively. Director membership and meeting attendance in respect of the Nomination and Remuneration Committee is set out in the 'Board of Directors' table in the governance section of the Annual Report.

The Nomination and Remuneration Committee (NED appointments) is a Governor committee and makes recommendations in respect of Non-Executive Director remuneration to the Governors' Council (the Governors' Council is not permitted to delegate any of its powers to a committee). The committee is chaired by the Trust Chairman (unless the committee is considering the remuneration of the Trust Chairman).

Non-Executive Director remuneration is benchmarked using NHS Providers' annual survey analysis, and, as a reflection of spending restraint in the NHS and the very low pay awards made to staff subject to Agenda for Change in the organisation in recent years, there have been no changes to the remuneration of the Non-Executive Directors in 2020/21.

The Nomination and Remuneration Committee (Executive Director appointments) is a committee of the Board, with delegated authority to approve the terms and conditions, including the remuneration of the Executive Directors. The members of the committee are the Non-Executive Directors and the Chief Executive (unless the committee is considering the remuneration of the CEO), and the committee is chaired by the Trust Chairman.

Executive remuneration is benchmarked using NHS Providers' annual survey analysis, on appointment and annually. As a reflection of spending restraint in the NHS and the very low pay awards made to staff subject to Agenda for Change in the organisation in recent years, there have been no changes to the remuneration of the Executive Directors in 2020/21.

The terms of reference of the Nomination and Remuneration Committee include provisions to secure oversight in the matter of compliance with the Department of Health and Social Care, Her Majesty's Treasury and regulatory guidance in respect of remuneration arrangements for very senior managers (VSM).



Professor Steve Barnett
Chairman

14 June 2021

Senior managers' remuneration policy

The Trust has an Executive Director pay policy in place.

The CEO undertakes the appraisals of the Executive Directors and the Chairman undertakes the CEO's appraisal, making an assessment of overall performance against annually agreed objectives. The Trust had no 'performance-related pay' incentives in place in 2020/21 for Executive Directors or other very senior managers.

The checklist used by the Nomination and Remuneration Committee (Executive Director appointments) facilitates the committee's consideration of, and compliance with, guidance issued since 2015 by the DHSC, Her Majesty's Treasury and the regulator in respect of the terms and conditions for Executive Directors, other very senior managers (VSM), interim appointments and consultants.

- Proposed VSM remuneration of more than £150K
- Board members, including interims, should be 'on-payroll', except in exceptional, short-term cases
- In exceptional, short-term cases, interim daily rates paid should not normally exceed what would be paid to substantive appointees
- 'Retire and return' – VSMs, particularly those leading organisations which are receiving additional taxpayer support, should not be better off by taking their pension and returning almost immediately to work for the NHS
- The new redundancy terms for NHS staff in England (within section 16 of Agenda for Change) should apply to all newly-appointed VSMs (unless they are on statutory redundancy terms)
- Senior staff should not be leaving on significantly better compensation packages than more junior colleagues
- The approval process for management consultancy costs

- All Board-level appointments to be subject to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 19 - 'Fit and Proper Person' test
- Revised tax guidance responsibilities from April 2017
- Employment or engagement following NHS redundancy

Very senior managers (VSM)

The Trust's definition of very senior managers (VSM) relates to executive and Non-Executive Directors operating at Board-level.

Non-Executive and Governor expenses

Expenses are reimbursed to both Directors and Governors in accordance with the Trust's policies. Aggregate Non-Executive Director expenses for 2020/21 were £926. Aggregate Governor expenses were £586.

Service contract obligations

The Trust has historically engaged a number of contractors who have all signed an agreement to a notice period, usually of one-month. There are no additional or specific obligations on the Trust should there be a need for early termination of any such contracts.

Remuneration committees

Details of the membership and attendance at the Nomination and Remuneration Committee (EDs) can be found in the 'Board of Directors' table in the governance section of the Annual Report.

QEH staff have responded to the immense challenges of COVID-19 with great commitment and dedication in very tough circumstances. The overall improvements in the quality of care that is provided to patients is encouraging, and when I raise constituency cases where things have gone wrong the hospital is responsive and willing to learn.

In the year ahead, it is important to continue to deliver better care, address the treatments that has been delayed due to COVID-19 pressures and continue lobbying to bring a new hospital to King's Lynn and west Norfolk, which is no more than patients and the local community deserve.

James Wild MP

Member of Parliament for North West Norfolk

Details of remuneration and audited information

Details of Directors' remuneration for the period ended 31 March 2021 is set out in the remuneration tables.

The median remuneration of the reporting entity's staff is based on annualised, full-time equivalent remuneration of all staff (including temporary and agency staff) as at the reporting date.

The calculation uses the basic salary of each employee, part-time staff have had their salary grossed up to their full-time equivalent salary. The banded remuneration of the highest paid director, calculated for comparison purposes on a full-time basis at QEH in the financial year 2020/21 was £200,000-£205,000 (2019/20 £245,000-£250,000); this was 8.18 times the median remuneration of the workforce, which was £24,157. In 2020/21, 13 members of the workforce received remuneration in excess of the highest paid Director. Remuneration ranged from £18.92 to £307,605.

This information is presented in this way to:

- Ensure transparency in Executive remuneration
- Provide the Trust with an opportunity to monitor their own remuneration and note any adverse or anomalous trends

Fair pay multiple	2020/21	2019/20
Mid-point of banded remuneration of highest paid Director - full-year effect	£202,500	£247,500
Median total remuneration	£24,157	£24,157
Ratio	8.18	10.25

Total remuneration includes salary, non-consolidated performance related bonuses, benefits in kind as well as severance payments. It does not include employer pension contributions, the cash equivalent transfer value of pensions, overtime or shift allowances.

The median and lowest salary cost for the Trust is low compared to some other Trusts. This is as a result of the Trust not having outsourced non-clinical services, for example domestic and catering staff remain the employees of the Trust.

The highest paid Director of the Trust in 2020/21 and 2019/20 was the Chief Executive.

I would like to pay tribute to the outstanding commitment and achievement of all the staff at the QEH during this most challenging year. This hospital is on a journey to be the best Rural General Hospital in the country by 2025. The recent Medical Engagement Survey has some of the best results in the east of England, while staff feel more engaged and valued. The CQC inspection noted significant improvements and progress, with all six core areas inspected now rated 'good' for 'caring'.

Patients are treated with dignity and respect, staff are compassionate and feel able to escalate concerns, the leadership team are passionate about their services. The QEH is committed to an open and inclusive culture, to a culture of fairness and kindness. This is now the time for the Government to commit to funding the complete rebuild of the QEH that this 41-year-old hospital, built to last 30 years, urgently needs.

Cllr Alexandra Kemp

Clenchwarton and King's Lynn South Ward, Norfolk County Council



Foundation Trust Directors' Remuneration Report

Salaries and allowances

	1 Apr 20 to 31 Mar 21					
	(a) Salary	(b) Expense payments (taxable)	(c) Performance pay and bonuses	(d) Long-term performance pay and bonuses	(e) All pension-related benefits	(f) TOTAL (a to e)
	Bands of £5,000	To nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
Non-Executives						
Prof Steve Barnett (Chairman)	50-55	600	0	0	0	55-60
Mandy Ashton ¹	0	0	0	0	0	0
Dr Siobhan McClelland ²	0	0	0	0	0	0
Alan Brown	10-15	0	0	0	0	10-15
David Dickinson	10-15	0	0	0	0	10-15
Simon Roberts	10-15	0	0	0	0	10-15
Dr Ian Mack	10-15	0	0	0	0	10-15
Graham Ward	10-15	0	0	0	0	10-15
Dr Claire Fernandez ³	5-10	0	0	0	0	5-10
Jackie Schneider ⁴	5-10	100	0	0	0	5-10
Executives						
Caroline Shaw , Chief Executive	200-205	0	0	0	112.5-115	315-320
Laura Skaife-Knight , Deputy Chief Executive	140-145	0	0	0	105-107.5	245-250
Dr Frankie Swords , Medical Director	175-180	0	0	0	235-237.5	410-415
Nick Lyons ⁵ , Medical Director	0	0	0	0	0	0
Elizabeth McManus ⁶ , Chief Nurse	60-65	0	0	0	17.5-20	75-80
Dr April Brown ⁷ , Chief Nurse	0-5	0	0	0	0	0-5
Carmel O'Brien ⁸ , Chief Nurse	0-5	0	0	0	0	0-5
Emma Hardwick ⁹ , Director of Nursing	0-5	0	0	0	0	0-5
Chris Benham , Finance Director	130-135	0	0	0	55-57.5	185-190
Liz Sanford ¹⁰ , Director of Finance	0	0	0	0	0	0
Roy Jackson ¹¹ , Director of Resources	0	0	0	0	0	0
Denise Smith , Chief Operating Officer	120-125	0	0	0	80-82.5	200-205
Jon Wade ¹¹ , Chief Operating Officer	0	0	0	0	0	0

1 Apr 19 to 31 Mar 20						
(a) Salary	(b) Expense payments (taxable)	(c) Performance pay and bonuses	(d) Long-term performance pay and bonuses	(e) All pension-related benefits	(f) TOTAL (a to e)	
Bands of £5,000	To nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000	
Non-Executives						
50-55	1,600	0	0	0	55-60	
0-5	300	0	0	0	0-5	
5-10	200	0	0	0	5-10	
10-15	300	0	0	0	10-15	
10-15	0	0	0	0	10-15	
5-10	500	0	0	0	10-15	
10-15	0	0	0	0	10-15	
5-10	200	0	0	0	5-10	
0-5	0	0	0	0	5-10	
Executives						
245-250	0	0	0	0	245-250	
55-60	0	0	0	82.5-85	135-140	
40-45	0	0	0	120-122.5	160-165	
65-70	0	0	0	0	65-70	
55-60	100	0	0	40-42.5	95-100	
65-70	200	0	0	7.5-10	70-75	
25-30	0	0	0	50-52.5	75-80	
0-5	0	0	0	0	0-5	
60-65	200	0	0	0	60-65	
30-35	0	0	0	0	30-35	
5-10	500	0	0	17.5-20	20-25	

	Prior year only
	Left in-year
	Secondment

Notes:

The taxable expenses relate to business mileage sums paid in excess of HMRC rates - tax is payable on the excess so only the excess value paid to the Director is disclosed.

Seconded staff are disclosed at the full cost to the Trust and not what the individual has been paid as a salary. The cost to the Trust includes employer on-costs such as pension and national insurance contributions paid by the employer to the relevant authority.

Dr April Brown - the disclosure relates to the uplift in salary for acting-up as Chief Nurse. Her substantive salary has been absorbed by her substantive employer.

- 1 Mandy Ashton (to 31 Jul 2019)
- 2 Dr Siobhan McClelland (from 20 May 2019 to 22 Nov 2019)
- 3 Dr Claire Fernandez (from 1 July 2020)
- 4 Jackie Schneider (to 29 January 2021)
- 5 Nick Lyons (to 31 Aug 2019)
- 6 Elizabeth McManus (to 31 Aug 2020)
- 7 Dr April Brown (from 1 August 2020 to 13 March 2021)
- 8 Carmel O'Brien (from 14 March 2021)
- 9 Emma Hardwick (to 25 May 2019)
- 10 Liz Sanford (from 28 Aug 2019 to 1 Jan 2020)
- 11 Roy Jackson (to 23 Aug 2019)
- 12 Jon Wade (to 24 Apr 2019)

Foundation Trust Directors' Remuneration Report

Pension benefits

1 Apr 20 to 31 Mar 21								
	(a) Real increase in pension at pension	(b) Real increase in pension lump sum at pensionable age	(c) Total accrued pension at pension age as at 31 Mar 2021	(d) Lump sum at pension age related to accrued pension at 31 Mar 2021	(e) Cash equivalent transfer value at 1 Apr 2020	(f) Real increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 Mar 2021	(h) Employer's contribution to stakeholder pension
	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000	£000	£000	£000	£000
Caroline Shaw, Chief Executive	5-7.5	7.5-10	90-95	210-215	1,660	11	1,846	0
Denise Smith, Chief Operating Officer	2.5-5	5-7.5	35-40	75-80	568	172	667	0
Elizabeth McManus, Chief Nurse	0	(2.5)-0	55-60	170-175	1,231	37	1,272	0
Chris Benham, Finance Director	2.5-5	0-2.5	25-30	0-5	280	0	345	0
Laura Skaife-Knight, Deputy Chief Executive	5-7.5	7.5-10	30-35	50-55	312	36	399	0
Frankie Swords, Medical Director	10-12.5	22.5-25	55-60	130-135	813	1	1,047	0

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. (This is a legal case concerning age discrimination over the manner in which UK public service pension schemes introduced a CARE benefit design in 2015 for all but the oldest members who retained a Final Salary design.). We believe this approach is appropriate given that there is still considerable uncertainty on how the affected benefits within the new NHS 2015 Scheme would be adjusted in future once legal proceedings are completed.

The Queen Elizabeth Hospital has supported and served our West Norfolk communities very well throughout the pandemic. On behalf of the Borough Council of King's Lynn and West Norfolk, I would like to express our sincere thanks for the dedication and commitment of all QEH staff.

The key challenge going forward is securing the funding for a new replacement hospital. Our West Norfolk communities have been significantly impacted by the pandemic. This has also highlighted some of the health inequalities in the area. Our communities deserve a hospital building which is fit for purpose to best serve them in future. The borough council has, and continues to, work positively and proactively with QEH to ensure the best possible health care and facilities for our communities.

Lorraine Gore

Chief Executive, Borough Council of King's Lynn and West Norfolk



PATIENT SAFETY

Incident reporting and Never Events

The total patient safety incident reporting rates for 2020/21, excluding pressure ulcers reported on admission, was 7,631. This is an 8% increase in reporting from the previous year and includes noted decreases in moderate harm incidents. These are both positive indicators of an open culture where staff feel comfortable raising safety concerns.

The number of safety incidents resulting in severe harm or death reduced to 22, a 25% decrease from 2019/20.

As a result of our ongoing response to the COVID-19 pandemic, we saw a wide variation in reporting, with rates ranging from 408 in April 2020 to 784 in November 2020.

We report safety incidents every month via the National Reporting and Learning System and are continuing to promote incident reporting practices across the Trust as part of our ongoing safety culture work.

Total reported incidents

Year	Total reported patient safety incidents excluding pressure ulcers on admission	Safety incidents that resulted in severe harm or death
2020/21	7,631	22
2019/20	7,007	29
2018/19	7,710	32
2017/18	6,474	29

Patient safety incident reporting harm outcome

2020/21	Minor	Moderate	Major	Catastrophic	Total
Quarter one	278	93	2	1	374
Quarter two	306	72	4	2	384
Quarter three	402	73	5	2	482
Quarter four	460	61	4	2	527
Total	1,446	299	15	7	1,767

Key areas of achievement during 2020/21 include:

- We received significant assurance from the Serious Incident external audit
- New root cause analysis training was introduced to support staff who are carrying out Serious Incident investigations
- We established a robust and transparent process of approval of Serious Incident investigations at executive level
- Our Incident Reporting Policy was reviewed and refreshed
- 'Special measures funding' which will allow us to introduce patient safety culture SCORE measurements within the Trust was approved
- A Datix incident reporting form was developed to support staff reporting incidents
- Two virtual patient safety learning events took place, covering topics such as care of patients who present with agitation and/or delirium, care of people with dementia, learning from deaths and learning from COVID-19
- Our teams were restructured to create a new Patient Safety Team
- New processes to support incident investigations and learning across the local health system were developed and introduced

In addition, we identified the Deputy Medical Director and Head of Patient Safety and Clinical Effectiveness to act as designated patient safety specialists, as required by NHS England and Improvement. They will be fully trained to provide expert patient safety knowledge and leadership to the Trust while contributing to strong local, regional and national patient safety networks.

Serious Incidents reported during 2020/21

2020/21	Clinical Support Services	Medicine	Surgery	Women's and Children's	Non-clinical	Total
Quarter one	2	4	5	1	0	12
Quarter two	3	9	1	4	0	17
Quarter three	0	12	1	2	0	15
Quarter four	0	8	3	1	1	13
Total	5	33	10	8	1	57

CASE STUDY

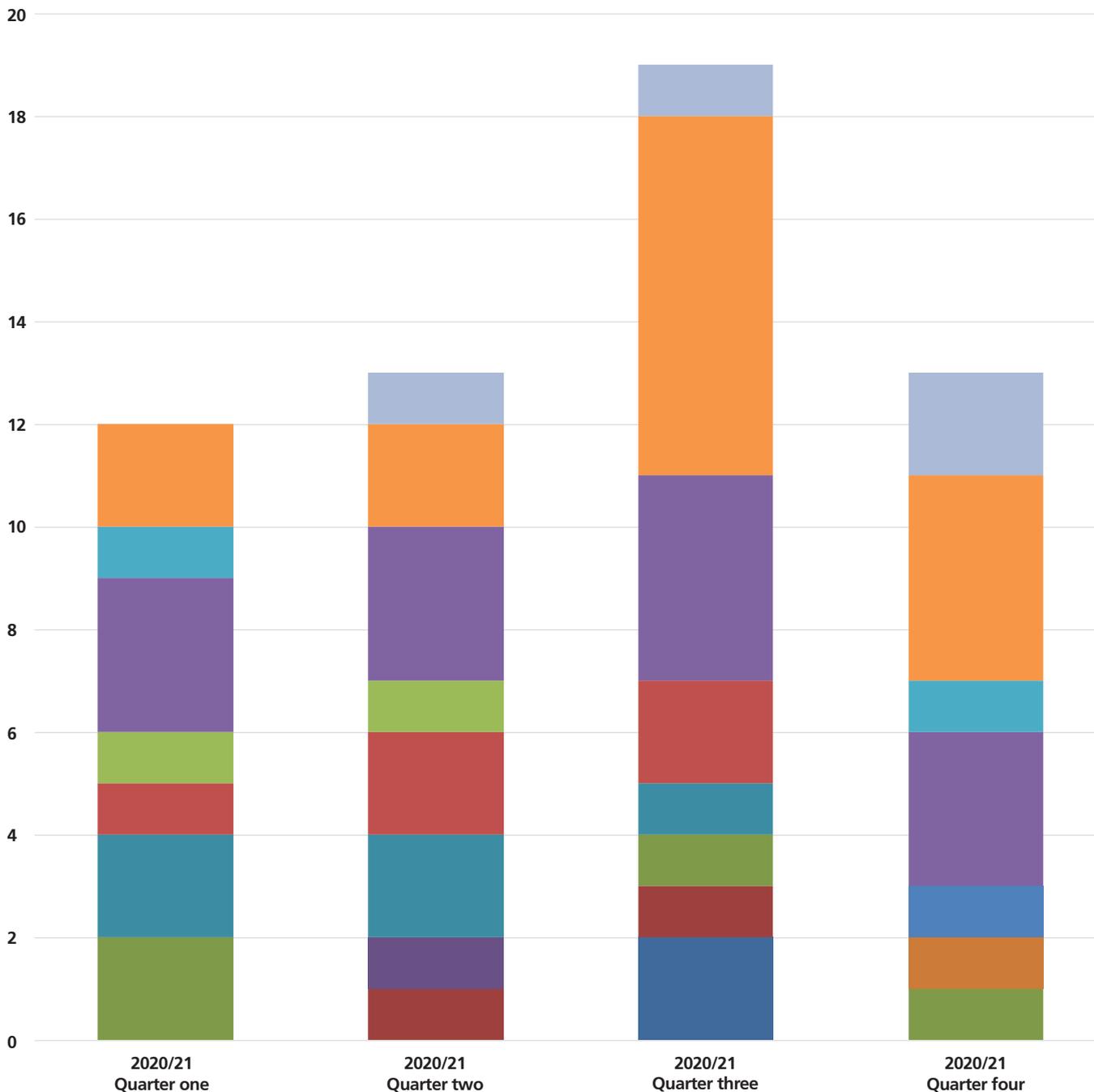
Same Day Emergency Care

Opening our Same Day Emergency Care (SDEC) in January 2020 has allowed the Trust to provide gold standard, same day care for patients who would otherwise have been admitted overnight.

The unit has been a fantastic success and vital asset to the Trust in helping to reduce the pressures on our Emergency Department and ambulance service, seeing on average 60 patients a day, providing a fast service and shorter waiting times. Patients who use this service are often discharged quickly without a prolonged stay in hospital.

Just six months after opening, the SDEC team won the Government Award in the Best Use of a Solution category at the Smarter Working Awards. The team were also runners up in both the Efficiency in the Property Portfolio and the Special Recognition categories.

Total reported incidents

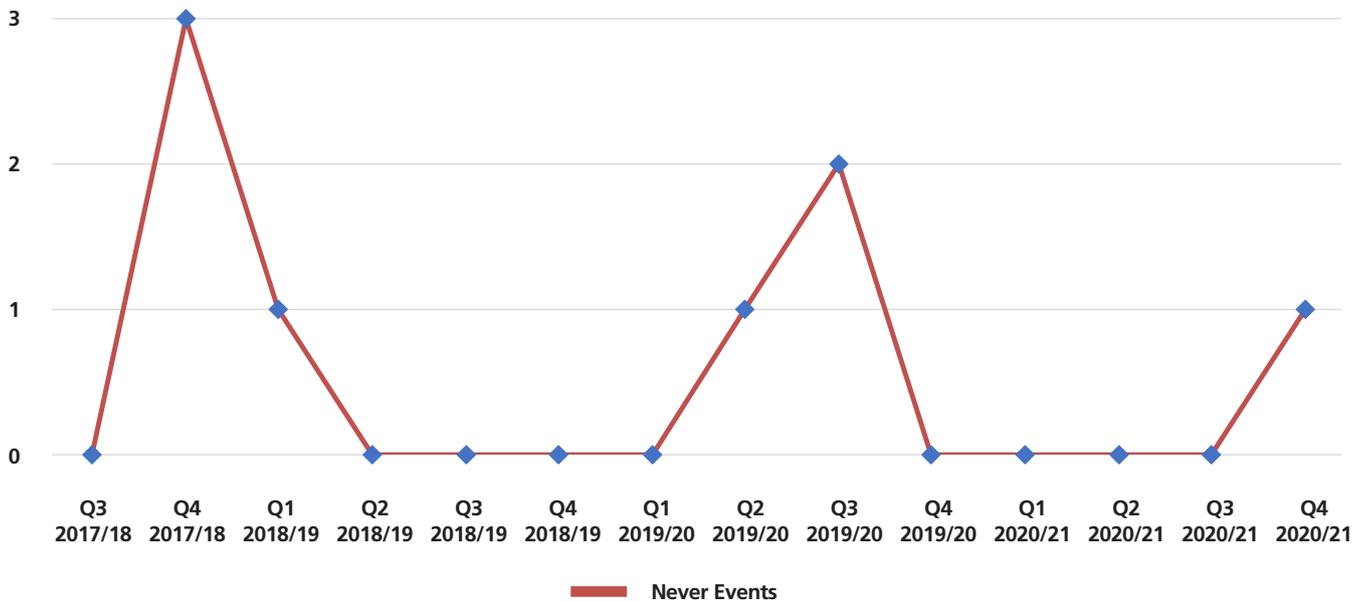


- Abuse/alleged abuse of adult patient by staff
- Abuse/alleged abuse of child patient by third party
- Apparent/actual/suspected self-inflicted harm meeting SI criteria
- Blood product/transfusion incident meeting SI criteria
- Diagnostic incident including delay meeting SI criteria (including failure to act on test results)
- HCA/Infection control incident meeting SI criteria
- Maternity/Obstetric incident meeting SI criteria: baby only (this includes foetus, neonate and infant)
- Maternity/Obstetric incident meeting SI criteria: mother only
- Pressure ulcer meeting SI criteria
- Slips/trips/falls meeting SI criteria
- Surgical/invasive procedure incident meeting SI criteria
- Treatment delay meeting SI criteria
- VTE meeting SI criteria

Never Events

The Trust declared one Never Event during 2020/21 which occurred within the Ophthalmology Service. The incident involved a patient receiving an intravitreal injection intended for a different patient during a macular and intravitreal injection outpatient clinic.

Never Events from 2017/18 onwards



During 2020/21, we continued to develop processes to help us identify themes from incidents so that we can learn from errors. These included:

- The consequences of silo-working within teams and across the patient pathways
- Adherence to policies, protocols and operating procedures
- Poor documentation, either poor or absent recording of care planning or completion of risk assessments, such as falls risk assessments
- Individual clinical knowledge gaps which may impact on the ability to interpret findings
- Timeliness and appropriate action in response to patients' clinical presentation
- Lack of adherence to audit processes to provide safety assurance
- Human factor errors





PATIENT AND CARER EXPERIENCE

We are committed to engaging with our patients, their carers and the public so that they can contribute fully to further improving the quality of services that we provide.

We capture patient and carer experience through a number of different methods, including:

- Promoting the 'Friends and Family' Test to receive anonymous but timely feedback
- Attending meetings and events held by community organisations
- Listening to and learning from patients' stories at Board meetings
- Taking part in national patient surveys
- Ensuring patients and the public are represented at key committees
- Carrying out mock Care Quality Commission visits, which include interviews with patients and carers (if they are present during the visit).
- Carrying out annual PLACE (Patient Led Assessments of the Care Environment) inspections
- Reading and responding to patients' and carers' feedback posted on NHS and Care Opinion websites and social media
- Inviting Healthwatch Norfolk to attend the hospital monthly to meet with patients and discuss their experiences

More information about the feedback we have captured during 2020/21 is included in the following pages

Hosting events

The Governor's Council and Patient Experience Team host events in conjunction with local statutory, community and voluntary sector partners. These events are open to all to provide information and advice about different long-term medical conditions.

Unfortunately, due to the COVID-19 pandemic it was not possible to host any events in 2020/21.

Patient groups

During the year we have maintained contact with the Trust's visually impaired group. We are planning to organise a virtual event for this group during 2021/22, capitalising on technology which was rolled out during the pandemic to make sure it is accessible to everyone who wishes to attend.

Compliments, complaints, concerns and comments

Our Patient Advice and Liaison Service (PALS) is a confidential point of contact for patients or relatives who may have concerns about their current or previous treatment. The team also receives general feedback, suggestions and compliments which are shared across the Trust. The Complaints Team and PALS work alongside one another, with the complaints manager overseeing both departments.

Our PALS teams continuously seeks to improve the service it provides and sets itself high standards, such as ensuring that all telephone calls and emails are acknowledged on the same working day. Along with other aspects of the service, this is measured using a 'rate our service' survey, which is included on all emails and compliments slips.

PALS continues to promote the services it provides by featuring on the home page of the Trust's website, while staff regularly visit the wards and occupy an accessible location near the main entrance. It is also advertised on television screens which are positioned outside the PALS department and in other public areas around the hospital.

We have continued to review and amend the subject codes used by PALS during 2020/21 to ensure that information is appropriately logged. This has included developing additional categories so that more helpful information can be drawn from the data.

During the year, we logged 4,994 PALS contacts, excluding compliments. The top themes were:

PALS by sub-subject (primary)	Number
General information	1,038
Poor communication	363
Messages to loved ones - passed to the ward	307
Enquiry	301
Update on patient condition/wellbeing	285
Access to health records	170
Inpatient enquiry	170
COVID-19 swab query - public	166
Lack of information	156
Directions in the Trust*	137
Discharge arrangements	123
Complaints procedure	108
Clinical care	103
Travel expenses	99
Concern	87
Loss of personal items	87
Loss of jewellery/valuables	82
Staff attitude	68

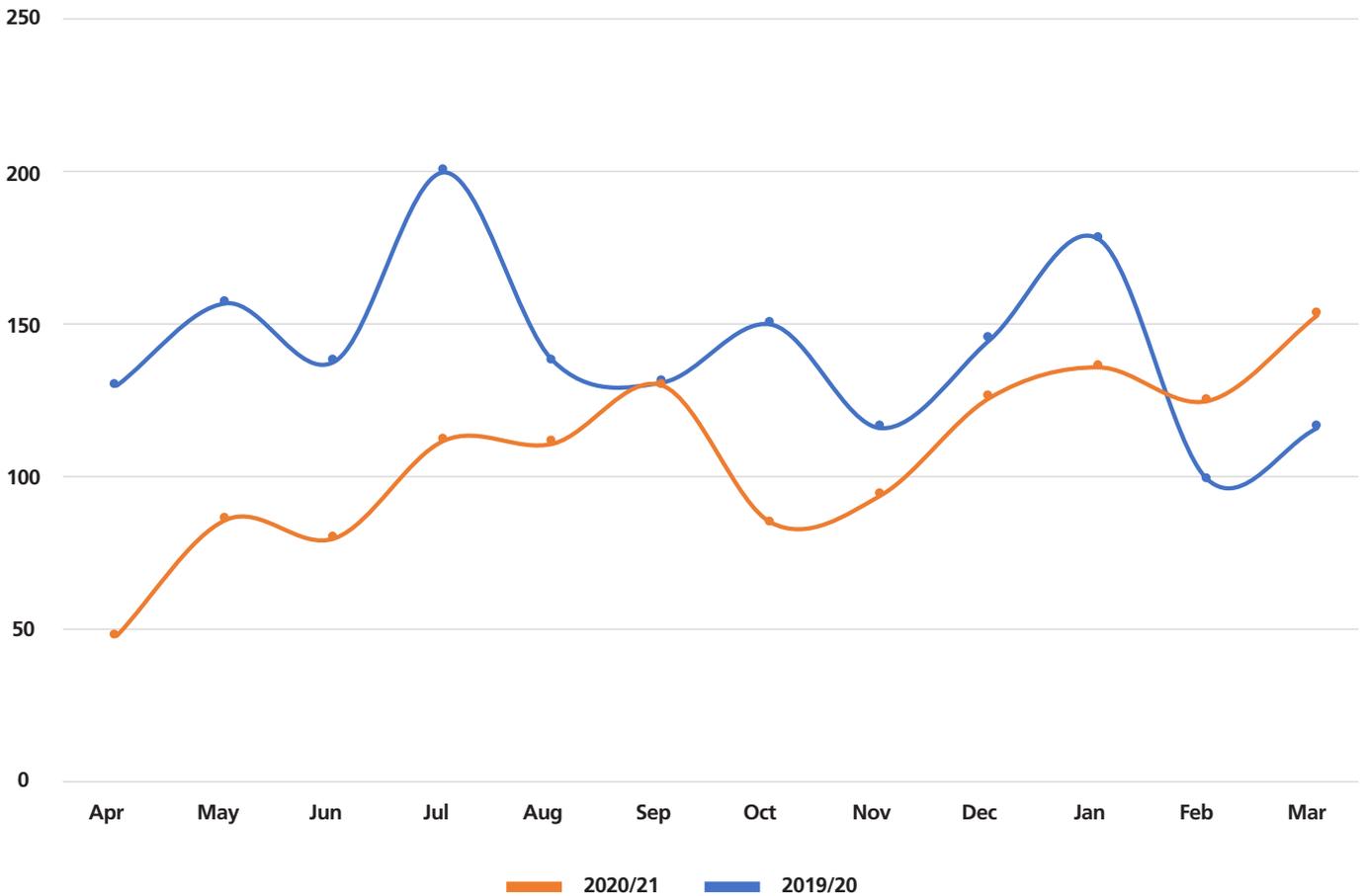
* The 'directions in the Trust' category is most likely to be a result of moving patients between care areas to meet clinical demands as part of our operational response to COVID-19.

Compliments

Along with feedback and concerns which are shared across the Trust, the PALS team also logs any compliments they receive, either in person, by email or when a card is sent directly to the ward. When a compliment holds identifiable information such as an address, the Chief Executive sends a personal thank you.

In 2020/21, we recorded 1,286 compliments, down from 1,705 in 2019/20.

Number of compliments received per month



The quality of care was amazing. Everyone was working flat out in the department but I was made to feel at ease and very COVID-19 safe. The nurses were just brilliant.

Dermatology day surgery patient

Formal complaints

We received 220 formal complaints during the year, which was a 47.4% reduction on the 388 received in 2019/2020. The reason for this is unclear but is likely to be related to the decrease in planned care activity during the COVID-19 pandemic. It may be possible to corroborate this if the figures return to those similar to 2019/20 in the coming year.

The role of the Complaints Team is to make sure that formal complaints are appropriately investigated and that a response is provided in a timely manner.

Complaints by method	Number
Email	157
Letter	45
Telephone	7
Complaint form	4
Via PALS	3
Social media	2
Window enquiry	1
Ward visit	1

Main themes from the complaints we receive from patients and their families

Complaints by sub-subject	Number
Communication with relatives/carers	74
Communication with patient	44
Delay or failure in treatment or procedure	24
Attitude of nursing staff/midwives	23
Care needs not adequately met	20
Attitude of medical staff	19
Delay or failure to undertake scan/X-ray etc	18
Incorrect/no information given	17
Failure to act in a professional manner	17
Failure to provide adequate care (including overall level of care provided)	15

Our average response rate to complaints has been variable and somewhat disappointing this financial year, achieving a rate percentage of 25% complaints responded to within the set timeframe. The COVID-19 pandemic was a significant factor in this performance, along with staffing challenges within PALS and the Complaints Team. Additional staff have now been appointed to provide extra capacity to support the complaints process.

Written complaints rate

2020/21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Clinical complaints	10	15	19	19	28	10	19	21	13	22	15	16
Response rates (%)	82%	83%	100%	95%	100%	68%	69%	47%	70%	86%	44%	71%
Non-clinical complaints	1	0	1	2	0	1	1	2	0	0	0	0

Further improvements for 2021/22

During the coming year, we will:

- Develop masterclasses to improve our focus on customer service and raise awareness about the complaints process, as well as how to investigate and respond to complaints
- Continue to work with the Patient Safety Team so that we can make sure learning from complaints is shared effectively
- Share patient stories and quarterly newsletters to raise awareness of the complaints process and any lessons which have been learned
- Aim to respond to 90% of complaints within 30 working days

Parliamentary and Health Service Ombudsman (PHSO)

There are times when, despite our best efforts, we are unable to resolve a complaint at a local level and the complainant remains dissatisfied. When this happens, the complainant may seek guidance from the Parliamentary and Health Service Ombudsman (PHSO) to ask for an independent investigation into their complaint and financial redress.

During this financial year, two complaints were referred to the PHSO.

- Three are currently under PHSO investigation and awaiting an outcome
- Two are at preliminary referral stage and we are awaiting a decision on whether the PHSO will proceed to investigation stage
- One complaint was not upheld by the PHSO

It is important to note that the PHSO was inactive during the first quarter of the year but reactivated in June 2020. As a result, there are currently delays with the PHSO and this has led to cases being carried over from previous years.

“Getting it Right” programme (for our patients and each other)

This programme took place throughout 2020 to improve patient experience following complaints relating to poor behaviour of some staff towards each other, patients and visitors, as well as evidence of poor care delivery.

It focused on the importance of compassion and professionalism in care delivery to patients and the positive impact it has on patient experience and patient safety. It also highlighted the negative impact of poor staff attitude. The sessions were designed to promote both poignant reflection and discussion, while staff who attended were encouraged to share their own stories. Areas that were covered included privacy and dignity, compassion and “what good looks like,” while empathy and civility within teams was also discussed.

A total of 389 staff attended 44 sessions during the year, and was asked to make a pledge explaining how they planned to make a difference at the close of each session.

Listening to patients

Patient and public involvement is integral to how hospitals plan and improve their services so listening to patients, their carers and the public and acting on what they tell us is vital.

We are focusing on three key areas to improve patient experience, which are:

- Improving the patient experience as measured by the ‘Friends and Family’ Test
- Using learning from compliments, complaints, national surveys and feedback to enhance the quality of the services we offer
- Ensuring the environment is appropriate for clinical care and a positive patient experience

Measuring and reporting patient experience

We capture patient and carer experience by:

- Promoting the 'Friends and Family' Test to receive anonymous but timely feedback
- Hosting events for patients and the public
- Seeking invitations to attend meetings events held by community organisations
- Listening to and learning from patients' stories at Board meetings
- Taking part in national patient surveys
- Ensuring patients and the public are represented at key committees
- Carrying out mock Care Quality Commission visits, which include interviewing patients and carers where possible. The reports from these visits and any resulting action plans are considered by the Patient Experience Committee, the Patient and Carer Experience Forum and by the Service Line Quality and Business Boards covering the wards or departments visited
- Completing annual PLACE (Patient Led Assessments of the Care Environment) inspections. This was paused during 2020/21 due to the COVID-19 pandemic
- Reading and responding to patients' and carers' feedback posted on the NHS and Care Opinion websites, Facebook and Twitter
- Inviting Healthwatch Norfolk to the hospital every month to meet patients and discuss their experiences. This was paused during 2020/21 due to COVID-19 but will be reintroduced when guidance allows.

'Friends and Family' Test (FFT)

During the year, we found the free-text comments submitted with the FFT responses gave us a valuable insight into issues and concerns that are important to patients. The FFT allows us to make changes far more quickly than when awaiting results from other types of feedback. It is shared with patients, staff and visitors and used in training courses to focus staff on the experiences that our patients have had and how we can improve things further.

As a snapshot guide, our FFT satisfaction score from April 2020 to February 2021 was 97%. National comparisons are not available as reporting requirements were paused during COVID-19.

We are taking the following actions to further improve these scores by:

- Ensuring feedback is available monthly to all senior staff to cascade to colleagues across the Trust
- Sharing feedback with patients and the public through ward noticeboards, information screens and social media, and to staff through regular internal communications
- Reviewing negative feedback and sharing it with colleagues before providing an action plan to resolve issues highlighted by patients
- Monitoring feedback following changes to ensure they have had a positive impact
- Sharing actions between areas

We commissioned a new provider of the Friends and Family Test in conjunction with Norfolk and Norwich University Hospital in March 2021, which uses SMS texting to collect feedback in outpatients and ED. QR code posters are also displayed around the hospital to encourage patients to provide immediate feedback on the service they have received.

Patient stories at Board

We support patients and their families and carers so that they can tell their stories in person at Board meetings. This allows the Board to hear about their experiences first-hand and to learn about the aspects of care which patients value the most. It also provides an opportunity for patients and carers to describe experiences where care could have been improved so that we can act on their feedback.

During the past year, the Board has heard the following stories that have led to action within the Trust:

- The experience of a patient being treated for COVID-19 in ED and a number of other wards, including Oxborough Ward
- A story from a patient who is also a member of staff who was cared for on one of our surgical wards. He detailed the positive experiences he had but also areas for improvement which related to the communication skills of junior doctors and the importance of sleep
- A patient and family's experience of care on West Newton Ward, with the story presented by the patient's daughter
- A story from a patient who is also a member of staff who was admitted to our intensive care unit with COVID-19 and has now returned to work
- A patient and family's experience of the difficulties they faced maintaining good communication with the ward while visiting restrictions were in place

National patient surveys

There were two patient experience surveys published between April 2020 and March 2021 – the National Cancer Survey (2019) and the National Inpatient Survey (2019).

	Months sampled	Month published	Response rate	Average national response rate
National Cancer Survey 2019	April to June 2019	June 2020	66%	61%
National Inpatient Survey 2019	July 2019	July 2020	49.4%	45%

National Cancer Survey

There were a number of positive improvements reported in the National Cancer Survey. These included two areas in which we were significantly better than other Trusts:

- Patient found it very or quite easy to contact their clinical nurse specialist
- Patient had all the information needed before their operation

There were three areas in which we were significantly poorer than other Trusts:

- Patient told they could bring a family member or friend when first told they had cancer
- Patient had confidence and Trust in all doctors treating them
- GP given enough information about patient's condition and treatment

Actions are being taken in each of these three areas, which include improving the dictation process and prioritising letters to GPs.

National Inpatient Survey

The results of the National Inpatient Survey 2019 were published in July 2020, and highlighted several areas for improvement. Noise at night continued to be a problem for many patients, along with confidence and Trust in the teams providing care and ensuring patients had enough information about their care. Patients also felt that there were not enough people in hospital to talk to about their worries and fears, and were not satisfied with the way we handled getting them home (their discharge arrangements).

Actions taken to address these areas include:

- A HUSH (Helping U Sleep Healthier) project group has been set up. This has brought together patients, carers, clinical staff, project managers, porters and domestic staff who are working on ways to reduce disturbance at night and improve patient sleep
- Communications and team working has been improved by structuring multi-disciplinary board rounds and cross division meetings, while Divisional newsletters, a closed social media page and Trust-wide weekly information cascade are also in place
- A transformation project has been set up to reduce discharge delays, make better use of our Discharge Lounge and improve the information given to patients
- Our nursing teams are developing a plan to support the nurse in charge so that patients are aware of who is leading the ward and who to contact with any concerns or worries they may have during their admission

How we have used feedback to improve the experience of patients and their carers

We have:

- Worked closely working with patient groups to identify the changes we need to make to give patients with additional needs the best possible experience when accessing care
- Listened to our visually impaired group and added additional barriers to reduce the time that vulnerable people remain in the road at the front of the hospital
- Created a breastfeeding video so that we can better support breastfeeding mums who are admitted as inpatients
- Improved our children's play areas.
- Given young inpatients chargers for their tablets and mobile phones so that they can stay in touch with family and friends during their admission
- Improved the information booklet given to elective inpatients
- Improved access to our COVID-19 vaccination centre for patients with additional needs and coordinated bookings for people from the same household
- Given buzzers to partners attending antenatal scans so they can be called to the clinic at the patient appointment time to prevent overcrowding and support social distancing

Communicating learning locally within wards and departments

We have:

- Provided wards and departments with a poster each month showing a selection of patient comments and information about how likely patients are to recommend our services
- Returned 'room for improvement' comments to area leads so that action can be taken
- Shared a monthly report from the 'Friends and Family' Test with senior staff and any comments made on NHS websites or Patient Opinion

Working with Healthwatch Norfolk

Our relationship with Healthwatch Norfolk has been strengthened further over the past year.

Although the COVID-19 pandemic impacted the Healthwatch Norfolk team coming into the Trust, their community engagement officer visited the hospital monthly before the restrictions were introduced to discuss experiences of care with patients. This included visits to outpatient areas where it was felt further support could be beneficial, and those which were key to projects being managed by Healthwatch.

During these visits, all areas welcomed Healthwatch's engagement with patients and staff. Feedback was provided on the day to the nurse in charge, and a monthly report compiled and sent to the Trust and shared across divisions.

In autumn 2020, Healthwatch Norfolk carried out observations across the wards and conducted online surveys in our outpatient areas to capture our patients' experience. Reports detailing their findings were submitted to our nursing leadership teams and the Patient and Carer Experience Forum.

Healthwatch Norfolk's Community Engagement Officers will return to the Trust when the pandemic restrictions are lifted to complete their observational study.



The doctor I saw was lovely. She made me feel at ease when I spoke with her, and I never felt stupid or stuck trying to tell her my problems. I've been given help setting goals, managing my diabetes and trying to overcome my anxiety.

Clinical Health Psychology patient





STAFF REPORT

Our staff

At the end of July 2020, the NHS launched its new people plan. Called 'We are the NHS: People Plan for 2020/21', it sets out what staff can expect from their leaders and each other. It builds on the creativity and drive shown by staff in their response to the COVID-19 pandemic and focuses on how we must continue to look after each other and foster a culture of inclusion and belonging, as well as taking action to grow our workforce and train together differently.



People promise - we make to each other - to work together to improve the experience of working in the NHS for everyone.

'We are the NHS: People Plan for 2020/21' has four key themes:

- Looking after our people - with quality health and wellbeing support for everyone
- Belonging in the NHS - with a particular focus on tackling the discrimination that some staff face
- New ways of working and delivering care - making effective use of the full range of our staff's skills and experience
- Growing for the future - how we recruit and retain our staff and welcome back colleagues who want to return

Norfolk and Waveney – #WeCareTogether

In response to the NHS People Plan, Norfolk and Waveney have developed a local plan called #WeCareTogether, which mirrors the ambitions of the national plan. It has a system-wide workforce focus for health, social care and the voluntary sector, with a goal in five years to be the best place to work, with a vision to have happy, healthy staff providing excellent, compassionate care.

The plan has four main objectives:

- Creating new opportunities for our people
- Promoting good health and wellbeing for our people
- Maximising the skills of our people
- Creating a positive and inclusive culture for our people

QEH People Plan

The QEH People Plan 2020/21 was agreed by the Trust Board in October 2020 and responds to both the national and regional plans. It focuses on delivering:

- Our Trust's strategic objectives
- COVID-19 recovery and restoration
- The four key themes from 'We are the NHS: People Plan for 2020/21' (as above)

Our aim is to create a culture where we always put patients first, where kindness is the norm and where staff feel valued and are comfortable speaking up, and know they will be listened to. Our commitment to our staff is to focus on supporting kindness, fairness and wellness during 2021/22.

We will continue to use a triangulated approach to make informed, safe and sustainable workforce decisions to ensure we have the right staff, with the right skills, in the right place at the right time. This will be measured by improvements to patient and staff outcomes, people productivity and financial sustainability. In addition, we will continue to report, investigate and act on incidents and use patient, carer and staff feedback.

Staff numbers (whole-time equivalents)

The table below shows the staff numbers as at 31 March 2021 and 31 March 2020

	31 March 2021			31 March 2020		
	Permanent	Other (agency and bank)	Total	Permanent	Other (agency and bank)	Total
	WTE (whole-time equivalents)					
Medical and dental	379	31	410	361	37	399
Ambulance staff	5	0	5	7	0	7
Administration and estates	611	23	634	590	19	608
Healthcare assistants and other support staff	855	132	987	794	117	911
Nursing, midwifery and health visiting staff	964	116	1,080	845	125	970
Nursing, midwifery and health visiting learners	3	0	3	1	0	1
Scientific, therapeutic and technical staff	337	14	351	318	8	326
Healthcare science staff	52	5	57	56	4	60
Social care staff	0	0	0	0	0	0
Total average numbers	3,206	322	3,528	2,972	310	3,282

Breakdown of staff by gender (31 March 2021)

	Female	Male	Total
Executive Directors	6	1	7
Non-Executive Directors	1	6	7
Senior managers	29	24	53
Other	2,933	896	3,829
Total	2,969	927	3,896

For information on gender and pay at QEH visit the Government's gender pay gap service website at <https://gender-pay-gap.service.gov.uk/Employer/LjqQsney>

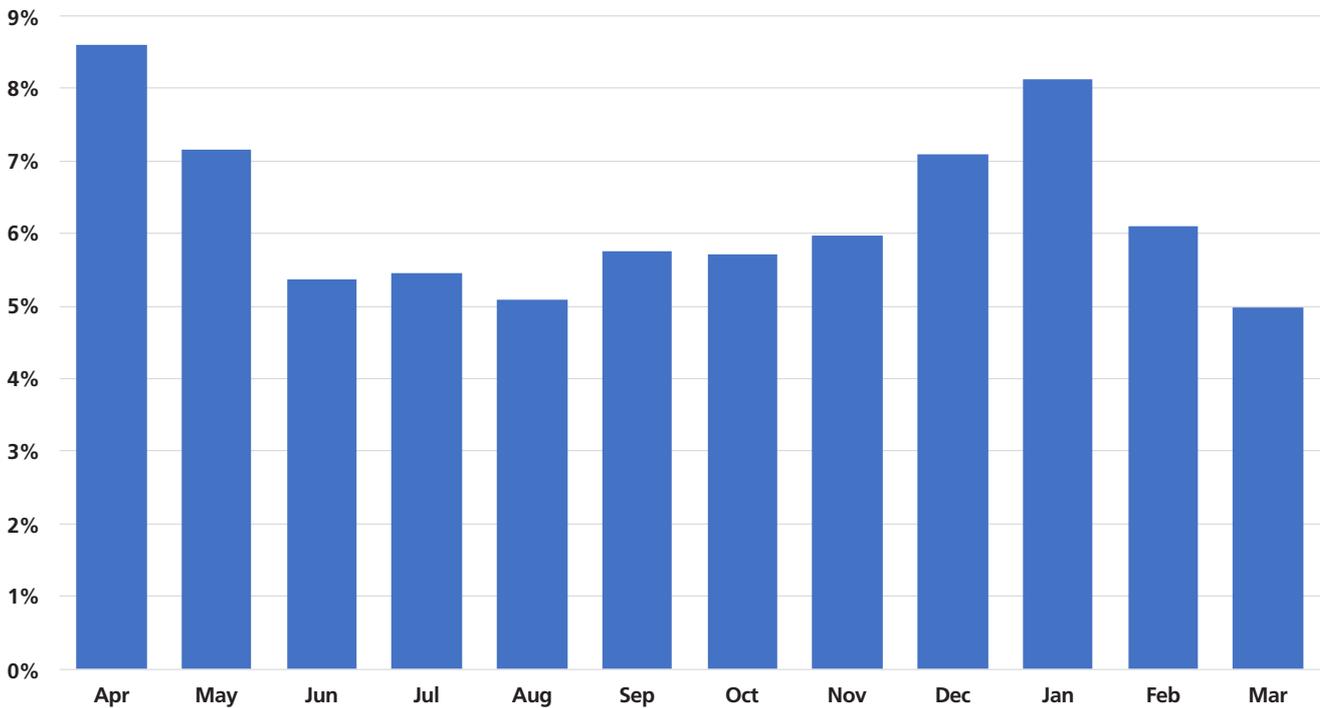
Staff sickness

Our sickness rate was 6.28% (inclusive of sickness attributed to COVID-19 pandemic) at the end of March 2021 against a target of 4%. This was from a starting position of 5.68% at the end of March 2020.

During the year, we have focused on:

- Responding to the COVID-19 pandemic by vaccinating our staff and patients, ensuring risk assessments are in place and providing enhanced wellbeing support for staff
- Balancing our approach to managing absences and supporting staff when they are unwell. This is supported through the actions included in the QEH People Plan, such as ensuring frontline staff receive an annual flu vaccination to protect themselves and their patients. This year, 100% of frontline staff received the vaccination

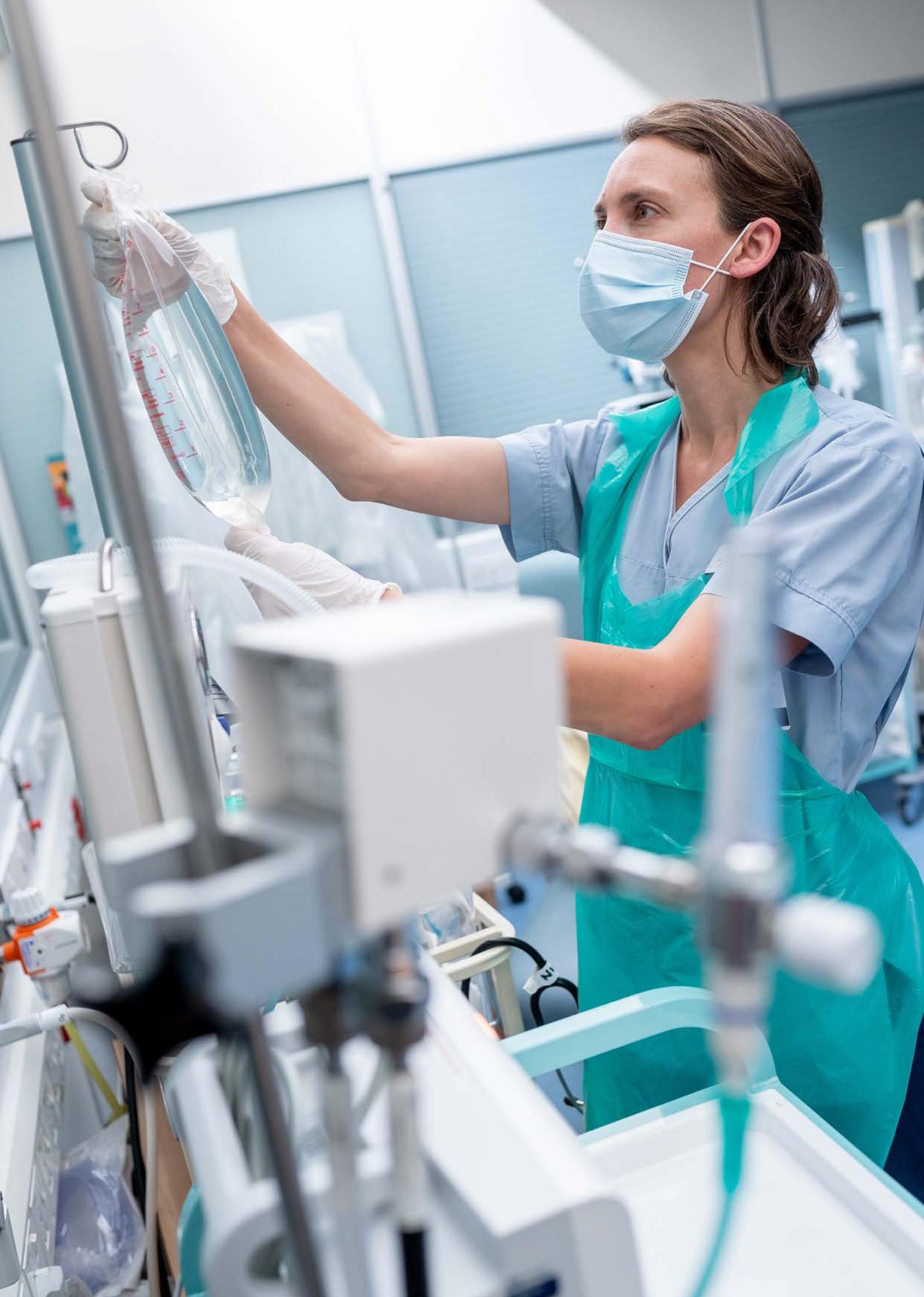
QEH sickness % absence rates (April 2020 to March 2021)



Cumulative sickness absence from April 2020 to March 2021 is 6.28%, against a target of 4%. The monthly sickness absence rate for March 2020 was 4.98%. We continue to support our divisions to proactively manage staff who are on sick leave, and especially those on long-term sick, by ensuring a plan is in place to support them to come back to work safely.

As part of our Corporate Strategy, we made a commitment to reduce the overall sickness absence relating to stress, anxiety and depression by 50% (to 9.7%) through the introduction of a new health and wellbeing programme. This has included:

- Recruiting a specialist in Post Traumatic Stress Disorder (PTSD) to focus on emotional wellness and other issues related to trauma and stress
- Recruiting a Clinical Psychologist to support staff
- Strengthening our Occupational Health service by employing additional staff to support COVID-19 testing
- Recruiting and training 18 Mental Health First Aiders
- Providing around the clock wellbeing support for staff
- Rolling out the COVID-19 vaccination programme for patients, care home workers, ambulance and community colleagues and QEH staff



STAFF COMMUNICATIONS AND ENGAGEMENT

Our Staff Engagement Programme for 2020/21 has attracted national recognition after delivering a step change in staff engagement and how people feel about working at QEH. The three main areas of focus during the year were:

- Culture and learning
- Reward and recognition
- Health and wellbeing (spanning physical, mental and financial health)



This work has been supported by our Staff Engagement Forum and new staff networks, which include our BAME (Black, Asian and Minority Ethnic), LGBT+ and Armed Forces Networks.

Staff engagement during the pandemic

Throughout COVID-19, we have increased the support available to staff for their physical, emotional and financial health needs. We recruited a dedicated clinical psychologist and post traumatic stress disorder (PTSD) lead, along with 14 new mental health first aiders. We set up a hardship fund to provide financial support to staff, and carried out activities designed to raise awareness of mental health as part of our drive to create a culture where it is acceptable to talk about and seek support for mental health issues. This commitment was cemented further when we signed the 'Time to Change' pledge in October 2020.

Thanks to the generosity of local people and businesses, frontline staff were given complimentary food bags and drinks, while we also provided food and toiletries to our international colleagues who arrived in the UK and were quarantining before joining our team.

Staff had around the clock access to 'safe spaces', which provided quiet areas where they could spend a few moments away to process their thoughts, find a sense of calm, reflect and recharge. Coaching sessions for leaders and in-reach support for frontline staff were also set up to help them deal with the pressures they faced daily during the crisis. We also put support in place for staff who were isolating, shielding or working from home to help them maintain an effective work-life balance while addressing any fears they may have about returning to work.

In addition to the steps taken in response to COVID-19, we also ran menopause awareness sessions while carrying out training for managers to make sure staff going through this life changing event felt understood and supported.

Looking to 2021/22

We have refreshed our Staff Engagement Programme for 2021/22 after taking learning and feedback from the 2020/21 programme into account. This aims to deliver a further improvement in staff engagement and how people feel about working at QEH.

Three overriding priorities for the coming 12-months have been drawn up following feedback from colleagues, which are:

1. Kindness
2. Wellness
3. Fairness



The success of the programme will be measured using key performance indicators will be reported to the People Committee.

Our culture

Our Corporate Strategy was launched June 2020 and made clear our aim to focus on our culture through one of our strategic objectives:

'Strengthening staff engagement to create an open culture with Trust at the centre.'

We subsequently launched 'The QEH Way', which describes the behaviours that underpin our values of 'We Listen, We Act, We Care'. We have also strengthened our Freedom to Speak Up culture by appointing and training 19 champions from across the Trust.

During 2020/21, 400 staff attended our bespoke 'Getting it Right' workshops, which explore individual and collective responsibility in providing an excellent patient experience and making QEH a great place to work. The workshops promoted both reflection and discussion, and included subjects such as privacy and dignity, compassion, 'what good looks like' and empathy and civility within teams. Continuing on this theme, we also welcomed Dr Chris Turner to the Trust to deliver 'Civility Saves Lives' workshops, which further demonstrated how behaviours within teams can affect both patient experience and safety.

In November 2020, we began a Trust-wide Culture Transformation Programme, working with external partner 'A Kind Life'. This has four overarching themes:

- 1. Staff safety** - providing staff with the skills to give and receive feedback (speaking up safely) and tools to reduce and respectfully resolve poor behaviour and bullying (respectful resolution)
- 2. Employment experience** - embedding the Trust's culture throughout the whole employee experience, including recruitment, appraisal and ongoing development
- 3. Leadership** - including 'Leading with Values' masterclasses planned for April 2021 for both current and aspirant leaders
- 4. Staff engagement** - including planned 'Values into Action' workshops for all staff for May 2021, which are designed to bring our values to life while building motivation and promoting appreciation and the courage to speak up

We carried out a culture perception survey in March 2021 to show how staff feel about working at QEH. This will be repeated every 12 to 18-months to measure the success of our Culture Transformation work.

Our first substantive Head of Organisational Culture started post in February 2021 and will work closely with the substantive Head of Staff Engagement and Events and the planned Lead for Equality, Diversity and Inclusion.

We listen to staff stories at every People Committee to ensure there is a connection from Board to ward.

Trust values

Our values are:

We listen: We deliver forward thinking quality services through listening to, learning from, and empowering those we work with.

We act: We take personal responsibility and respect the dignity and individuality of each person in our care, and the professionalism and skills of our team members, ensuring we make the most effective and efficient use of the resources available to us.

We care: We provide safe, compassionate and attentive services for patients and a positive working environment for our colleagues.

These values are extremely important to us and we expect everyone who works at QEH in any capacity, including employees, bank staff, contractors, agency staff, people who hold honorary contracts, students and volunteers, to share and uphold them. Each value is underpinned by behavioural standards and employees are expected to demonstrate these behaviours at all times.

We also expect everyone who works at the Trust to act in such a manner as to justify public Trust and confidence and to uphold and enhance our good standing and reputation.

Value, reward and recognition

We recognise the importance of valuing and rewarding our staff, and the impact this has on overall morale and staff experience. Some of the schemes in place at the Trust include:

- The introduction of Long Service Awards for staff marking 20, 25, 30, 35 and 40 years of service
- The QEH Hero Award, which linked to our 40th anniversary celebrations
- Staff idea of the month winner
- Visual displays of all award winners across our hospital
- Celebrating International Day of the Midwife, International Nurses' Day and Year of the Nurse and Midwife
- Recognising the contribution of wider staff groups by marking events such as World Administration Day, Healthcare Science Week, and Operating Department Practitioner Day
- Displaying staff values winners on a wall at the staff entrance

Rewarding, recognising and valuing our staff is central to our new Staff Engagement Programme. During 2021/22, we will:

- Add 10 and 15 years to our Long Service Awards following feedback from our staff
- Add additional categories to our annual staff awards
- Introduce quarterly appreciation vouchers for free food and drink
- Introduce health and fitness rewards, such as free gym memberships
- Recognise special personal events by sending staff celebratory cards
- Roll-out work perk gifts and goodies

National Staff Survey 2020

We achieved a response rate of 45% in the 2020 staff survey, which was above last year's rate (42%), and consistent with the national average response rate.

The Trust improved in all 10 themes and recorded statistically significant improvements in nine areas. Our overall staff engagement score improved from 6.7 out of 10 in 2019 to 6.9 out of 10 in 2020.

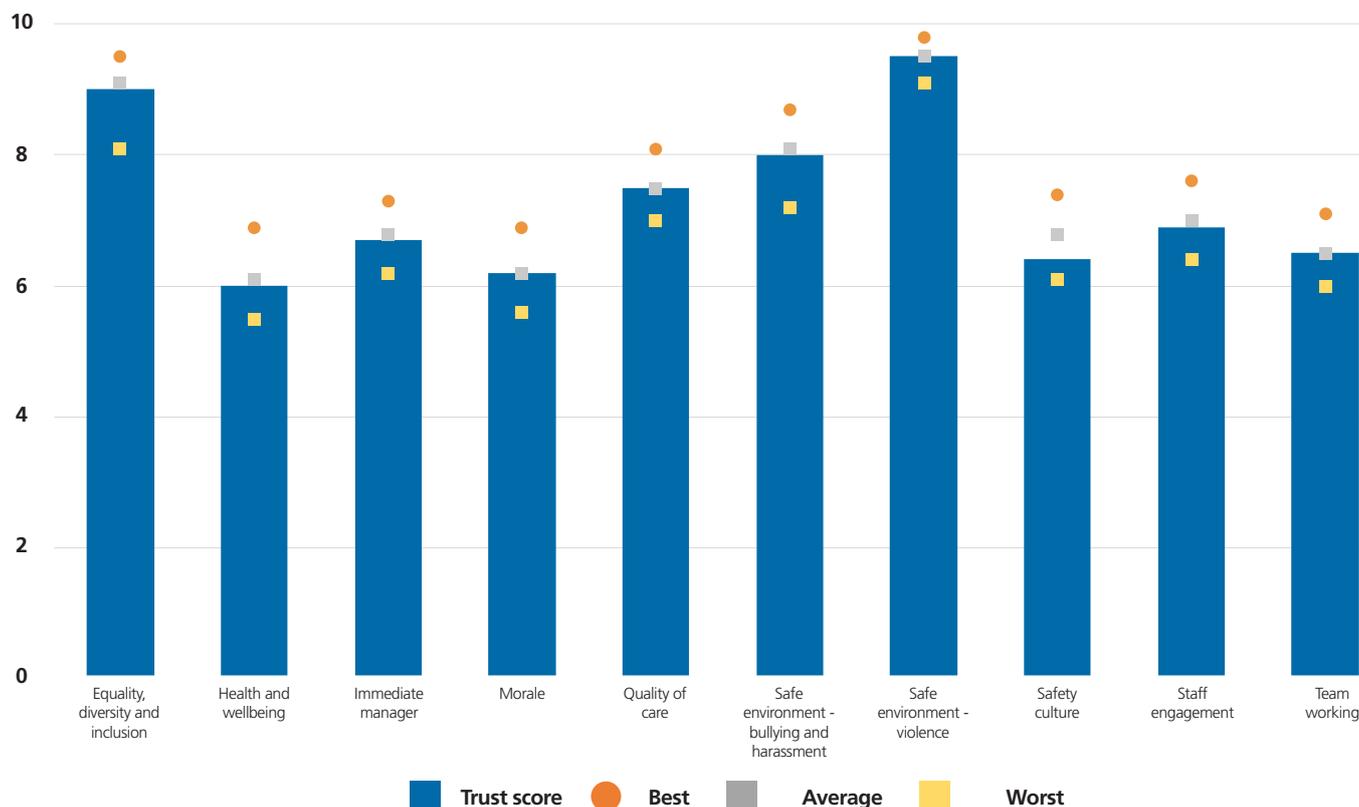
The biggest improvements came in these areas:

- Staff say the organisation and managers take positive action on health and wellbeing and offer flexible working patterns (up from 48.9% to 54.4%)
- Care of patients/service users is my organisation's top priority (up from 68.5% to 76.0%)
- I am satisfied with the quality of care I give to patients/service users (up from 75.7% to 81%.6%)

National Staff Survey 2020 [continued]

Theme	2019 score	2019 re-spondents	2020 score	2020 re-spondents	Statistically significant change?
Equality, Diversity and Inclusion	8.9	1,346	9.0	1,524	Not significant
Health and wellbeing	5.8	1,352	6.0	1,525	↑
Immediate managers	6.5	1,345	6.7	1,529	↑
Morale	6.0	1,317	6.2	1,520	↑
Quality of care	7.3	1,158	7.5	1,292	↑
Safe environment - bullying and harassment	7.7	1,340	8.0	1,523	↑
Safe environment - violence	9.3	1,341	9.5	1,522	↑
Safety culture	6.2	1,344	6.4	1,528	↑
Staff engagement	6.7	1,352	6.9	1,532	↑
Team working	6.4	1,345	6.5	1,517	↑

National Staff Survey 2020 - score by theme



	Equality, diversity and inclusion	Health and wellbeing	Immediate managers	Morale	Quality of care	Safe environment - bullying and harassment	Safe environment - violence	Safety culture	Staff engagement	Team working
Best	9.5	6.9	7.3	6.9	8.1	8.7	9.8	7.4	7.6	7.1
Average	9.1	6.1	6.8	6.2	7.5	8.1	9.5	6.8	7	6.5
Trust score	9	6	6.7	6.2	7.5	8	9.5	6.4	6.9	6.5
Worst	8.1	5.5	6.2	5.6	7	7.2	9.1	6.1	6.4	6
Trust responses	1,524	1,525	1,529	1,520	1,292	1,523	1,522	1,528	1,532	1,517

Looking to 2021/22, we will aim to build on these results by placing a greater focus on:

- Encouraging people to share feedback and speak up without fear of reprisal, so that this becomes the cultural norm
- Improving and educating our workforce on Equality, Diversity and Inclusion
- Continuing our good work to reward, value and recognise staff and doing more to celebrate our successes, focussing on the many positives at both organisational and divisional/service levels.
- Creating a culture of fairness and kindness where staff feel valued and respected
- Cultivating leaders who inspire, support and encourage their staff
- Improving staff engagement at Divisional and service level, as well as sustaining improvements at Trust level

This has been a year like no other with incredible pressures that no one could have anticipated, and yet the Queen Elizabeth Hospital staff have shown bravery and compassion in the face of the unknown. I know the challenges did not end when leaving the workplace - parents juggling home schooling, families separated not able to meet up with loved ones, long shifts and days when it looked like coronavirus could overwhelm the system. Not only have staff battled to keep the show on the road, but they have shown tremendous courage, commitment and a remarkable spirit.

As we look to the future, the focus on ensuring the hospital building is fit for purpose is key and I will continue to support the leadership in securing this. I would also like to say that I am sure I echo the thoughts of everyone in thanking the whole team at QEH for their truly heroic efforts these past 12-months.

Liz Truss MP

Member of Parliament for South West Norfolk and Secretary of State for International Trade

Investing in staff development

We provide a substantial range of learning routes leading to careers at the Trust, including pre-employment, apprenticeships and student placements. We continually develop our staff by offering them learning and professional development opportunities, as well as supporting our volunteers to move into employment with the Trust.

In 2020/21, we made a commitment to offer more apprenticeships into a variety of NHS careers, ranging from entry-level jobs through to senior clinical, scientific and managerial roles. We will continue to inspire the next generation over the coming 12-months by identifying 'access to training' options to ensure we can develop local people into professional roles, as well as offering work experience to school pupils and job seekers. In addition, we will encourage our staff to take part in the NHS Ambassadors programme so that they can showcase our work to young people so that they are attracted into a career in the NHS.

We work with Health Education England, the Postgraduate Deanery, Norwich Medical School and the University of East Anglia to ensure high quality medical education at every level, which has led to positive feedback. Our Education and Practice Development Team also work closely across all disciplines to increase inter-professional learning and development opportunities.

We are currently reviewing our inductions as part of our broader cultural transformation programme and are rolling our mandatory training programme in line with the following principles:

- Any recommendations to reduce mandatory training must not jeopardise patient and staff safety
- Where possible, training requirements will be role specific rather than generic
- Our mandatory training refresh periods will be aligned with the Core Skills Training Framework
- We will use e-learning wherever possible unless physical face-to-face learning is necessary to successfully deliver the training
- We will develop a flexible workforce where staff can readily share their knowledge and skills

Over the coming year, we will continue to explore new ways of working and how new roles, such as physician associates, nurse specialists and assistant practitioners, will support the delivery of our Corporate Strategy and ensure safe staffing levels. This will help us to recruit to hard-to-fill vacancies, while also preparing the Trust for any future shortages.

We will also continue to develop electronic systems to support streamlined working and reduce paper processes, as well as equipping managers with strong transformational leadership skills so that they can positively engage staff in service changes, development and delivery.

Lifelong learning is a partnership programme between the Trust and our recognised trade unions. It aims to give staff learning opportunities to help build confidence while encouraging access to personal development. The opportunities do not necessarily relate to work, and include wellbeing activities such as Pilates, yoga, dancing and sewing, as well as continuing support for dementia awareness, mindfulness and mental health first aid.

Leadership development programmes

Although some of our leadership development programmes were paused in 2020/21 due to the pandemic, a number still went ahead. These included:

- The system leadership programme, which encourages Directors and Associate Directors across Norfolk and Waveney to consider their role in strategic system change and work through system issues.
- Board development and Divisional Leadership Team development
- The Clinical Director development programme, which was set up by our Medical Director
- The middle managers (band seven) leadership development programme, which focuses on self-awareness, leading yourself and others, quality improvement, leading change and applying learning to practice
- The band five and band six leadership development programme, which was introduced after the Trust was chosen as the regional hub for the Institute of Healthcare Management, enabling us to expand development opportunities to help our staff to achieve their true potential while delivering outstanding care
- The bands two and bands three development programme, which was funded by Health Education East to allow 200 healthcare assistants to complete a 'preparation for study' programme

Our ambition to introduce a School of Nursing in West Norfolk

We are continuing to work with the College of West Anglia to set up a School of Nursing to provide accredited training for registered and unregistered nurses. This project is being spearheaded by our new clinical education lead, who is working collaboratively with stakeholders to plan and develop the school, gain Nursing Midwifery Council approval and recruit to the inaugural trainee nursing associate programme.

The school is being built in the grounds of the College of West Anglia. Faculty and project leads have worked with procurement partners to equip it with innovative educational and clinical resources to provide a high quality learning environment. The current plan is for Anglia Ruskin University to deliver its existing nursing associate apprenticeship programme at the school. To achieve this, the university is applying to modify its existing Nursing and Midwifery Council approval

The intention is for students at the school to complete their placements at the QEH, where they will be given support during their course and encouraged to remain working with us after graduation.

Equality, Diversity and Inclusion

We are committed to Equality, Diversity and Inclusion, and continue to promote diversity and equality of opportunity in all forms. To help us achieve this, we are striving to create a culture where staff can be themselves and feel valued because of the differences they bring to the Trust. Our staff deserve an environment in which they feel respected, valued and empowered.

The NHS People Plan sets out clearly that the NHS must welcome all, with a culture of belonging and Trust. It explains that we must understand, encourage and celebrate diversity in all its forms, and that discrimination, violence and bullying have no place. Its aim is to help us to ensure that all of our patients are treated equitably, and as individuals.

The plan identifies several key actions for employers, which include:

- Overhauling recruitment and promotion practices
- Implementing health and wellbeing conversations with all staff
- Publishing progress against the 'model employer' goals to ensure leadership at all levels is representative of the overall BAME workforce
- Tackling the disciplinary gap

This is complemented by the Norfolk and Waveney #WeCareTogether People Plan, which identifies actions at a system level which are designed to embed and develop mature staff networks and better understand our workforce. These include reviewing workforce processes to identify and remove any bias, including a revision of policies and procedures. In addition, we will continue to use staff's lived experiences and share perspectives to support the development of our ethnic minority groups while embedding inclusive and compassionate leadership. Sharing a common vision and collaborating for the benefit of the system as a whole will help us to shape a positive and inclusive culture.

Our Trust's People Plan was agreed by the Board in October 2020. Developed alongside key stakeholders, it reflects the ambitions and commitments set out in both the NHS People Plan and the Norfolk and Waveney #WeCareTogether plan.

The QEH plan sets out key actions to tackle discrimination which some staff still face. These include:

- Developing a culture that values diversity and inclusion while progressing a Culture Transformation Programme to bring our values and behaviours to life across QEH
- Revising our recruitment processes to make sure the Trust is representative while reducing inequality
- Publishing progress against the 'model employer' goals to ensure that the workforce is representative of the overall BAME workforce at every level
- Working with national Freedom to Speak Up colleagues to develop success measures for our 'speak up' programme
- Introducing a reverse mentoring programme for Board members
- Encouraging people to have health and wellbeing conversations so that they can reflect on their lived experiences
- Supporting our workforce's emotional and mental wellbeing by training mental health ambassadors and appointing a Clinical Psychologist and PTSD specialist to work with staff
- Tackling the disciplinary gap for those entering the disciplinary stages and making sure that live casework is concluded in a timely manner
- Developing networks for all staff groups to ensure they are actively involved in the decision-making at the Trust

As part of the QEH People Plan, we have made a commitment to become a leader and NHS exemplar for equality, diversity and inclusion. Subject to the approval of additional investment, a number of KPIs have been developed as part of our Corporate Strategy to help us measure our success.

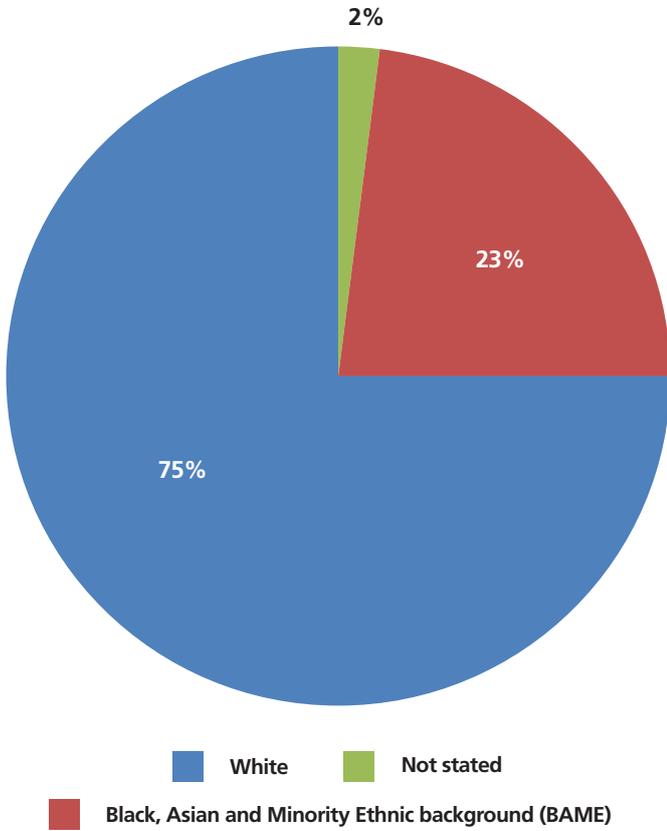
They are:

- Ensure black and minority ethnic representation at senior levels is representative of our staff as a whole – ongoing (baseline set as at March 2021)
- Review training and development opportunities for all staff to ensure equality of access. This is aligned with a review of delivery of training for all disciplines - end of quarter four 2020/21
- Publish data against the 'model employer' goals to ensure that at every level the workforce is representative – ongoing (in place for Workforce Race Equality Standards and Disability Equality Standard)
- Implement a robust process to identify the make-up of staff who enter the disciplinary process - end of quarter one 2020/21
- Review employment practices to ensure we provide a compassionate and inclusive working environment. This includes using value-based questions/selection criteria to ensure that all candidates (regardless of success) are clear of our values, have a positive impression of QEH and would recommend us to their friends or family – to be embedded by the end of quarter two in line with the cultural transformation programme
- Ensure appropriate BAME representation on 100% of interview panels for band 7 and above roles and all medical staff appointments

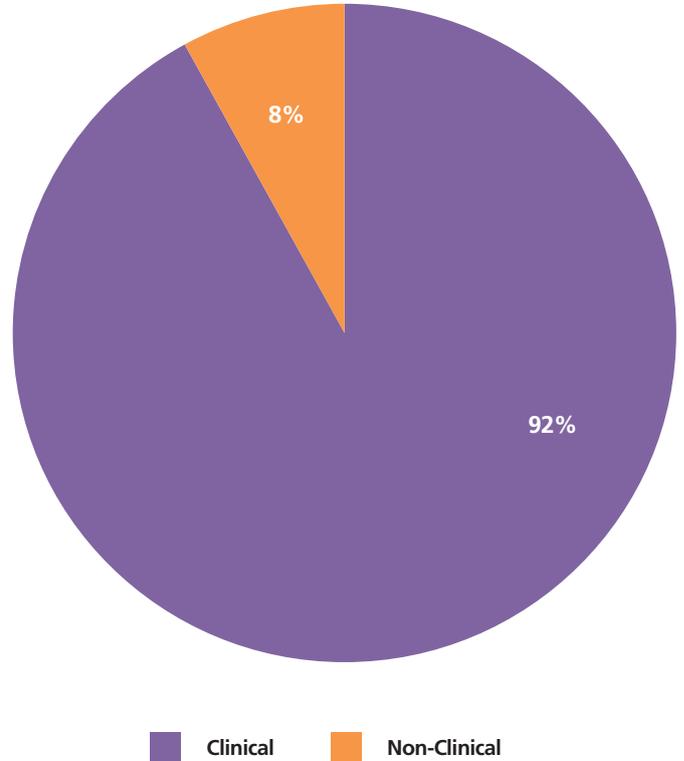
This work will support the Trust to deliver the requirements outlined in the Equality Act 2010, which are to have due regard of the need to:

- Eliminate discrimination, harassment and any other conduct prohibited by or under the act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it
- Meet the public sector equality duty to actively promote equality in policy making, service delivery and employment

Total staff by ethnicity - March 2021



Breakdown of staff with Black, Asian and Minority Ethnic (BAME) background



Raising concerns

Our staff are often best placed to identify where care may be falling below the standards our patients deserve. To ensure our high standards continue to be met, we want every member of our staff to feel able to raise concerns with their line manager, or another member of the management team. We want everyone in the organisation to feel able to speak up, whether they are providing general feedback or highlighting safety concerns. We want them to be confident that their concerns will be addressed in a constructive and timely way.

We support the Nursing Times Speak Out Safely campaign. This means we encourage any staff member with a genuine patient safety concern to raise this within the organisation at the earliest opportunity.

Freedom to Speak Up

We are committed to developing a culture where staff with safety concerns feel empowered to speak up, and have confidence that concerns will be listened to, investigated and acted on.

During 2020/21, 75 staff raised concerns via our speak up routes, which include our Freedom to Speak Up Guardian, our Champions and our Executive Lead. This compares to 25 in 2019/20 and 15 in 2018/19.

Throughout the year, lots of positive work has taken place to strengthen speak up across the Trust. This includes:

- An independent Freedom to Speak Up Guardian is in place who is supported by a Non-Executive Director. The Guardian has reported to the People Committee and Board during the year, and also reports quarterly to the National Guardian’s Office
- We have recruited 19 new Freedom to Speak Up Champions from across the Trust, who meet monthly to discuss themes, our ‘speak up’ culture and a workplan to support improvements
- Quarterly meetings attended by the Chief Executive, Deputy Chief Executive, Freedom to Speak Up Guardian, Non-Executive Director lead, Chief Nurse and director of HR, have been introduced to discuss themes and trends arising from speak up referrals and triangulate this data with other important staff experience measures

An internal audit returned as ‘partial assurance’ in 2020 for speak up, which was as expected. Priorities from this audit include further simplifying the recently-merged whistleblowing and Freedom to Speak Up policies, drawing on best practice from across the NHS. We will also continue to raise awareness among specific staff groups of the range of opportunities to speak up.

All whistleblowing and Freedom to Speak Up cases are reported to the Board. We regularly communicate the importance of speaking up so that we can create a culture where staff feel comfortable and confident raising concerns, as well as promoting the contact details of our champions and guardian. This work remains a key focus going into 2021/22, as our latest NHS Staff Survey results indicate we have more to do. Speak up also remains a priority in our 2021/22 Staff Engagement Programme and is central to our Trust-wide culture programme, which has a specific workstream on speaking up safely and equipping staff with the skills to have the right conversations.

Another priority for the coming year includes succession planning for the Freedom to Speak Up Guardian, who is due to step down in September 2021. We will also transfer the operational management of the speak up agenda to our substantive Head of Organisational Culture.

Whistleblowing

Our staff can contact our internal whistleblowing line if they wish to raise concerns. The line is managed by our Deputy Chief Executive, who is the Executive lead for speak up.

Local Counter Fraud Service (LCFS)

We work closely with our designated local counter fraud specialist as part of the national scheme led by NHS Counter Fraud Authority. This involves proactive and reactive work to ensure that precious NHS resources are not lost to fraud. It gives a clear route for concerns in relation to fraud to be reported and investigated, and development of an anti-fraud culture.

We take all necessary steps to counter fraud and bribery in accordance with guidance or advice issued by NHS Protect. This process is detailed in the Trust's Anti-Fraud and Bribery Policy.

Staff health and wellbeing

During the year, we developed the QEH People Plan 2020/21 which was agreed by the Board at its meeting in October 2020. The plan responds to both national and regional plans and has several key areas of focus:

- Delivering the Trust's strategic objectives
- COVID-19 recovery and restoration
- Improving the health and wellbeing of our staff by strengthening our work to support physical and mental wellbeing

As part of this work, we will introduce a wellbeing guardian, support staff to get to work, offer staff safe spaces to rest and recuperate and ensure our staff have access to psychological support and treatment.

We continue to support staff who are unwell and reviewed our attendance policy during the year to strengthen its focus on supporting staff as they return to work and ensure sickness absence is actively managed.

We are continuing to offer opportunities for staff to be physically active during their working day, especially where their roles are more sedentary. We also want to make sure our people are able to switch off from work to decrease work-related stress and burnout, and actively encourage them to take breaks and regular time away from work, as well as helping them to manage their work demands.

To support our staff, we welcome discussions about flexible working. This will be strengthened during 2021/22, when we plan to roll out a new working carers passport to encourage timely, compassionate conversations about what support staff would find helpful, including establishing and protecting flexible working patterns.

Our volunteers

Although the majority of volunteering activity was put on hold during 2020 due to COVID-19, a limited number of volunteers have recently returned to work supporting the front desk and vaccination centre.

We have offered all of our volunteers a COVID-19 vaccination and are beginning to make plans for a full return of volunteers to the Trust as the vaccine roll out continues to progress. As part of these plans, we are reviewing all of our volunteer roles and have adapted them where necessary following changes to our site and the need to maintain social distancing. Before they return, all of our volunteers will also be risk assessed and given specific COVID-19 infection prevention and control training.

After a prolonged break, supporting our valued volunteers in their return will be a key priority over the coming year.

2020/21 volunteer developments

The impact of the pandemic has meant that progressing projects and creating new roles has been on hold, with the exception of developing voluntary roles in the new Cancer, Wellbeing and Support Centre. During this period, we have prioritised maintaining contact with our existing volunteers and offering them support wherever necessary while they have been unable to work.

Looking ahead

Once our existing volunteers have returned, we plan to reinvigorate some initiatives which have been put on hold due to the pandemic. This will include 'meal mates', which will support patients and staff on our wards, a 'settle in' service for patients on the day of discharge and the introduction of 'butterfly volunteers', who will support patients at the end of life.

Work to create a volunteer 'passport', which will enable volunteers to move across different sectors and acute Trusts without the need for retraining, is also continuing.

HEALTH & SAFETY, FIRE AND ESTATES

Health and safety

The Health and Safety (H&S) team advises on staff safety in relation to the main risks present in a healthcare environment. They support risk assessment and incident investigations as well as proactively auditing and monitoring standards and compliance across our premises.

The team expanded during 2020/21, with the appointment of a deputy H&S manager and bed contract manager. In addition, the moving and handling advisors have also joined the team. These new staff have added their knowledge and skills to the H&S function, strengthening the resilience of the team and the ability to provide a comprehensive service.

The main projects for 2020/21 were:

- Rapidly establishing a team of fit testers to support clinical areas during the pandemic by making sure staff were wearing the correct type of FFP3 face mask to protect them
- Supporting the Trust with risk assessments and COVID-19 workplace assessments, as well as advising on safe occupancy levels for offices, rooms, and education and training spaces
- Continuing to develop the Trust's electronic web-based system for the safe management and Control of Substances Hazardous to Health (COSHH)
- Supporting the development of a network of competent and confident health and safety staff across the Trust, from senior managers to local risk champions
- Continuing to manage water safety in conjunction with the wider Estates and Infection Prevention and Control (IP&C) team
- Contributing to groups and committees, such as the Falls Steering Group and the Hospital Infection Control Committee, while working closely with the patient safety, patient experience, IP&C and Occupational Health teams
- Managing and updating the combined Estates and Facilities risk register and providing monthly assurance and/or escalation updates to the Assurance and Risk Executive Group
- Establishing a space utilisation group and surveying all non-clinical space before a larger project to map space across the Trust begins
- Working closely with the Estates capital team to support capital projects and advise on H&S matters

Training

As a result of the pandemic, H&S training now takes place as an e-learning package which is delivered via the ESR system. It includes risk assessment, prevention and management of aggression, COSHH, waste and sharps awareness.

Moving and handling training level one is also delivered via e-learning, while levels two and three are face-to-face due to their practical nature. Social distancing has had a significant impact of the number of staff who can attend these sessions, and wherever possible additional sessions have been arranged. We are currently evaluating whether some elements of level two and three training could be delivered via e-learning in 2021/22, and are also reviewing the competency packs which support moving and handling training for wards and clinical departments.

We regularly evaluate the training we provide to make sure it is useful and effective.

Incidents

Five categories of health and safety-related incidents are reported most frequently by staff. These are:

- slips, trips and falls,
- needle-stick and sharps injuries,
- environmental matters,
- accidents caused by some other means, and
- exposure to a hazardous substance/electricity/infection etc.

There were 379 staff safety incidents reported during 2020/21 compared with 375 during 2019/20. This represents a slight increase of four incidents between the two years.

Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) incidents

During 2020/21, 14 staff injuries were reported to the Health and Safety Executive. These were due to the employee sustaining injuries during work-related activities or being absent for or requiring a change of duties for more than seven days.

This is an increase of two incidents from 2019/20, when there were 12 RIDDOR reports made.

Looking ahead to 2021/22

The Health and Safety team will:

- Complete the premises assurance model 2021, in conjunction with the annual estates return information collection (ERIC)
- Digitise health and safety and fire safety audits
- Review our moving and handling training to take advantage of new technology and new competency-based training packages
- Expand the safety team within Estates and Facilities
- Ensure that the available space on site is used effectively.
- Review the risk register monthly to continue to provide assurance around risk management and escalation if required.
- Contribute to capital estates projects

Fire safety

The (Regulatory Reform) Fire Safety Order 2005 requires us to effectively plan, organise, control, monitor and review our preventive and protective measures and general fire precautions.

The main projects for the year 2020/21 were:

- Category L1 (life protection) fire alarm upgrade. This is a legal requirement to ensure we have fully compliant site-wide alarm in place. This extensive project has been underway since 2017
- Compartmentation upgrades following the L1 installation
- Establishing robust fire safety arrangements for the Sandringham Unit. Work is ongoing to upgrade fire alarms and compartmentation
- Discharge lounge upgrades
- Information sharing with the fire service
- Updating the site-wide risk assessment
- Reviewing and updating the fire strategy for QEH and the Sandringham Unit
- Reviewing and amending departmental fire risk assessments as required
- Providing advice and guidance around department moves due to the pandemic
- Purchasing mobile fire suppression units for key areas within the Trust, with training provided for staff

Fire safety training

Fire training is reviewed and updated regularly. An annual training needs analysis also takes place so that we can make sure we are delivering appropriate training which meets our legal requirements to ensure oversight control of fire risks at a local level. We also offer bespoke training to wards, which includes the use of evacuation equipment.

We are continuing to deliver face-to-face training, while a video has been created for staff who are unable to attend a training session. During the year, we delivered:

- 111 face-to-face mandatory and ward-based training sessions
- 23 face-to-face fire warden training sessions
- Eight evacuation and ski pad training sessions

Fire incidents

During 2020/21, there were 49 fire-related incidents, which were recorded onto Datix for investigation and management. Learning from these incidents is incorporated into mandatory fire safety training and fire warden training.

Looking ahead to 2021/22

We will:

- Continue with the L1 project for whole site
- Continue with compartmentation and sub compartmentation works
- Continue to contribute to projects such as the Cancer Wellbeing and Support Centre
- Upgrade fire doors across the site and provide certification



Estates

Our hospital is now more than 40-years-old and in desperate need of modernisation via national capital investment. The site has seen limited redevelopment and investment since its construction, even though the demographic we serve has significantly changed and demand for our services is increasing considerably year-on-year. The site's clinical capacity requirements now go well beyond what was intended in its original design, and departments are not co-located in a way that is consistent with modern care pathways.

We have developed a case to modernise the site, including our estate and digital infrastructure. Significant long-term capital investment would enable a mix of new, refurbished and redeveloped accommodation, making it fit for the future for patients and the communities we serve. This would also enable QEH to fulfil its role alongside system partners in delivering the future strategy for the Norfolk and Waveney health and care system.

Investment would support the development of some key priority areas, which we would aim to complete in phases. This would include a new and improved Emergency Department (ED), upgraded inpatient wards, new theatres, a single outpatient department and expanded endoscopy facility and a new facility for women and children's services. The work would ensure our patients can receive excellent care delivered in state-of-the-art facilities, helping the QEH to become a place where people are proud to work, with improved recruitment and retention.

In addition to developing these plans, we made several investments in our estate during 2020/21 to improve patient and staff experience. They included:

- Modifying the heating mains pipework to significantly reduce our heating costs and carbon footprint
- Beginning the RAAC plank project in conjunction with NHS E/I and other Trusts across the region
- Upgrading to highly efficient LED lighting
- Supporting departments in response to the COVID-19 pandemic
- The phased refurbishment of ED
- Redecorating the front elevation of the main hospital building
- Refurbishing hospital wards to support the deep cleaning programme
- Upgrading and improving fire detection and compartmentation
- Upgrading footpaths
- Setting up a leadership programme for the Estates and Facilities Management teams

Looking ahead to 2021/22

The Estates team will:

- Complete the improvement works in ED
- Upgrade our theatre ventilation systems
- Refurbish the Estates, Digital and Facilities department so that the three teams can work efficiently and effectively
- Refurbish the Estates workshops to provide an improved working environment for staff
- Continue the project to fully repaint the remaining elevations of the main hospital building
- Replace autoclaves, boilers and air handling units in the Sterile Services Department
- Replace the chillers in the Critical Care complex
- Upgrade the electrical infrastructure to the main kitchen
- Invest in our communities by appointing apprentices to the trades' staff teams
- Further develop the Trust's sustainability agenda by investing in carbon management and staff development opportunities
- Redesign the main entrance and staff entrance facades
- Continue the RAAC plank project in conjunction with NHSE/I and other Trusts across the region
- Refurbish the hospital street corridors and toilets

TRADE UNION TIME

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. The regulations require the Trust to publish information regarding trade union facility time in accordance with schedule two of the regulations.

Relevant union officials

Number of employees who were relevant union officials during the period	Whole-time equivalent employee number
24	22.8

Percentage of time spent on facility time

Percentage of time spent on facility time	Number of employees
0%	11
1%-50%	13
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£17,700.25
Total pay bill	£117,131,560.03
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.02%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time, calculated as: (total hours spent on paid trade union activities by relevant union officials during the period ÷ total paid facility time hours) x 100	83.59%
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The team were all so welcoming and couldn't have done a better job throughout my labour to help me relax.

Waterlily Birth Centre patient

EXPENDITURE ON CONSULTANCY

The Trust has spent £57K on consultancy in 2020/21; the level of expenditure on consultants has decreased from £787K in 2019/20. This decrease reflected the lower level of support required by the Trust during 2020/21.

Off-payroll engagements

We can confirm that all existing off-payroll engagements outlined below have been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

All off-payroll engagements as of 31 March 2021, for more than £245 per day	Number of engagements
Number of existing engagements as of 31 March 2021	-
Of which:	
Number that have existed for less than one year at the time of reporting	-
Number that have existed for between one and two years at the time of reporting	-
Number that have existed for between three and four years at the time of reporting	-
Number that have existed for four years or more at the time of reporting	-
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 last longer than six-months of which:	
Number assessed as within scope of IRS35	-
Number assessed as not within scope of IRS35	-
Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	-
Number of engagements reassessed for consistency/ assurance purposes during the year	-
Number of engagements that saw a change to UR35 status following the consistency review	-
For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020	-
Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	-
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure must include both off-payroll and on-payroll engagements	-

Exit packages: other (non-compulsory) departure payment

	Expected sign	Number of payments agreed 2020/21	Total value of agreements in 2020/21	Number of payments agreed 2019/20	Total value of agreements in 2019/20	Sub code
Voluntary redundancies including early retirement contractual costs	+					STA0720
Mutually agreed resignation (MARS) contractual costs	+					STA0730
Early retirement in the efficiency of the service contractual costs	+					STA0740
Contractual payments in lieu of notice	+	15	54	19	136	STA0750
Exit payments following employment tribunals or court orders	+					STA0760
Non-contractual payments requiring HMT approval (special severance payments)	+					STA0770
Total	+	15	54	19	136	
Of which non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12-months of their salary	+					STA0790

DISCLOSURES SET OUT IN THE NHS FOUNDATION TRUST CODE OF GOVERNANCE

Compliance with the NHS Foundation Trust Code of Governance

The regulator has in place a code of governance which sets out expectations concerning the Trust's corporate governance arrangements. Schedule A to the code sets out the detail of required corporate governance disclosures, including those that are reported in this Annual Report:

- Schedule A1 - Statutory requirements
- Schedule A2 - Provisions requiring a supporting explanation (on following pages)
- Schedule A3 - Supporting information to be made publicly available (on following pages)
- Schedule A4 - Supporting Information to be made available to Governors
- Schedule A5 - Supporting information to be made available to members
- Schedule A6 - Provisions requiring a compliance statement or explanation where the Trust has departed from the code

The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The Trust is required to report against the provisions of the code in a variety of ways, as set out below.

At 31 March 2021, the Board of Directors declares compliance with the provisions of **The Code of Governance, Schedule A1 (Statutory requirements)**.

The Trust's compliance status in respect of **The Code of Governance, Schedule A2 (Provisions requiring a supporting explanation)** is set out in the following table:

Provision	Provision summary	Supporting explanation
A.1.1	This statement should also describe how any disagreements between the Governors' Council and the Board of Directors will be resolved. The Annual Report should include this schedule of matters or a summary statement of how the Board of Directors and the Governors' Council operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the Executive management of the Board of Directors.	<p>The Trust has in place a 'Working Together Strategy', which describes how Governors engage with the Board when they have concerns about the performance of the Board of Directors, compliance with the licence conditions or the welfare of the Trust.</p> <p>The Trust also has in place a 'Procedure for Dispute Resolution', to deal with disputes relating to the Trust's constitution.</p> <p>Summary statements outlining how the Board and Governors' Council operate, including a summary of the types of decisions taken, are set out in the Annual Report, in 'The role of the Board of Directors' and 'The role of the Governors' Council' sections respectively.</p>
A.1.2	The Annual Report should identify the Chairperson, the deputy Chairperson (where there is one), the Chief Executive, the Senior Independent Director (see A.4.1) and the Chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the Board and those committees and individual attendance by Directors.	See table in 'The Board of Directors'.
A.5.3	The Annual Report should identify the members of the Governors' Council, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The Annual Report should also identify the nominated Lead Governor.	See table in 'The Governors' Council composition in 2020/21'.
B.1.1	The Board of Directors should identify in the Annual Report each Non-Executive Director it considers to be independent, with reasons where necessary.	<p>In respect of the criteria set out in The Code of Governance, all Non-Executive Directors are judged to be independent in character and judgement.</p> <p>No relationships or circumstances have been identified that are likely to affect, or could appear to affect, Directors' judgement.</p>
B.1.4	The Board of Directors should include in its Annual Report a description of each director's skills, expertise and experience. Alongside this, in the Annual Report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS Foundation Trust.	<p>See Board of Directors' biographies.</p> <p>The Board is substantively appointed as at 31 March 2021.</p> <p>The skills and experience reflected in the Board membership mean that the Board is balanced and appropriate to the requirements of the Trust.</p>
B.2.10	A separate section of the Annual Report should describe the work of the nominations committee(s), including the process it has used in relation to Board appointments.	See 'Committees of the Governors' Council - The Nomination and Remuneration Committee (Non-Executive Director appointments) and the 'Board of Directors' – the 'Nomination and Remuneration Committee (Executive appointments)'.
B.3.1	A Chairperson's other significant commitments should be disclosed to the Governors' Council before appointment and included in the Annual Report. Changes to such commitments should be reported to the Governors' Council as they arise and included in the next Annual Report.	The Trust Chairman has no commitments likely to impact on his work with the Trust.

Provision	Provision summary	Supporting explanation
B.5.6	Governors should canvass the opinion of the Trust's members and the public, and for appointed Governors the body they represent, on the NHS Foundation Trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The Annual Report should contain a statement as to how this requirement has been undertaken and satisfied.	<p>COVID-19 has impacted upon how this requirement would normally be fulfilled. However, in the absence of face-to-face meetings, Governors canvass the opinion of the Trust's members and the public in a variety of ways, including through virtual engagement with Healthwatch Norfolk and Healthwatch Cambridgeshire and Peterborough and via other virtual means with the local community.</p> <p>Regular communications are issued to members to keep them updated and to ensure they have a voice and say in Trust developments.</p> <p>The Working Together Strategy was updated in 2020/21 to reflect the ways in which Governors will be properly engaged in and consulted on key developments. This included in-year the Sandringham Unit acquisition, the development of the new hospital bid which was submitted as part of the NHS's response to the Comprehensive Spending Review and the strategic priorities as the Trust developed year two milestones for its Corporate Strategy.</p> <p>The Trust's appointed Governors represent the views of a range of local strategic partners.</p>
B.6.1	The Board of Directors should state in the Annual Report how performance evaluation of the Board, its committees, and its Directors, including the Chairperson, has been conducted.	See 'Evaluating the Board's performance' in 'The Board of Directors' section.
B.6.2	Where there has been external evaluation of the Board and/or governance of the Trust, the external facilitator should be identified in the Annual Report and a statement made as to whether they have any other connection with the Trust.	<p>Governance-related reviews were undertaken by Grant Thornton as part of the Trust's internal audit programme during 2020/21.</p> <p>In 2020, the Trust commissioned a well-led review of its Board and committees undertaken by a team of senior NHS Improvement colleagues. The review team had no other connection to the Trust.</p>
C.1.1	The Directors should explain in the Annual Report their responsibility for preparing the Annual Report and accounts, and state that they consider the Annual Report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the annual governance statement (within the Annual Report).	<p>See sections on:</p> <ul style="list-style-type: none"> • 'The Directors' report' • 'The Audit Committee and audit' • 'The Annual Governance Statement'
C.2.1	The Annual Report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	See: 'The Annual Governance Statement'.

Provision	Provision summary	Supporting explanation
C.2.2	<p>A Trust should disclose in the Annual Report:</p> <p>a. if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>b. if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	See 'The Audit Committee and audit'.
C.3.5	<p>If the Governors' Council does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the Board of Directors should include in the Annual Report a statement from the audit committee explaining the recommendation and should set out reasons why the Governors' Council has taken a different position.</p>	Not applicable in 2020/21.
C.3.9	<p>A separate section of the Annual Report should describe the work of the committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> • The significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed • An explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted, and • If the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded 	See 'The Audit Committee and audit'; 'The Independent Auditor's report to the Governors' Council' and the 'Annual Governance Statement'.
D.1.3	<p>Where an NHS Foundation Trust releases an Executive Director, for example to serve as a Non-Executive Director elsewhere, the remuneration disclosures of the Annual Report should include a statement of whether or not the Director will retain such earnings.</p>	Not applicable in 2020/21.
E.1.5	<p>The Board of Directors should state in the Annual Report the steps they have taken to ensure that the members of the Board, and in particular the Non-Executive Directors, develop an understanding of the views of Governors and members about the NHS Foundation Trust, for example through attendance at meetings of the Governors' Council, direct face-to-face contact, surveys of members' opinions and consultations.</p>	See 'The role of the Board of Directors'.

Provision	Provision summary	Supporting explanation
E.1.6	The Board of Directors should monitor how representative the NHS Foundation Trust's membership is, and the level and effectiveness of member engagement and report on this in the Annual Report.	See 'Committees of the Governors' Council' and 'Current Foundation Trust public membership'.
E.1.4	Contact procedures for members who wish to communicate with Governor and/or Directors should be made clearly available to members on the Foundation Trust's website and in the Annual Report.	See 'Contacting the Governors'.

In respect of **The Code of Governance, Schedule A3**, the following information is available as indicated:

Provision	Provision summary	Supporting explanation
A.1.3	The Board of Directors should make available a statement of the objectives of the NHS Foundation Trust showing how it intends to balance the interests of patients, the local community and other stakeholders, and use this as the basis for its decision-making and forward planning.	Annual Report and website.
B.1.4	A description of each director's expertise and experience, with a clear statement about the Board of Director's balance, completeness and appropriateness.	Annual Report and website.
B.2.10	The main role and responsibilities of the nominations committee should be set out in publicly available, written terms of reference.	On request and in the Annual Report - 'Committees of the Governors' Council' and 'The Board of Directors' sections.
B.3.2	The terms and conditions of appointment of Non-Executive Directors.	On request.
C.3.2	The main role and responsibilities of the audit committee should be set out in publicly available, written terms of reference.	On request and in the Annual Report - 'The Audit Committee and audit'.
D.2.1	The remuneration committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board of Directors. Where remuneration consultants are appointed, a statement should be made available as to whether they have any other connection with the NHS Foundation Trust.	On request and in the Annual Report - 'Committees of the Governors' Council' and 'The Board of Directors' sections. Harvey Nash has, during the period, been used to support recruitment and provide benchmarking information, taking into account NHS guidance, in relation to salaries for newly-appointed Executive Directors. There is no other connection with the Trust.
E.1.1	The Board of Directors should make available a public document that sets out its policy on the involvement of members, patients and the local community at large, including a description of the kind of issues it will consult on.	The Trust will be developing a Membership Engagement Strategy in 2021 as part of the membership and communications Governor committee workplan, which will set out this detail. Details of how the Trust listens to patient, Governor and member feedback is also included in the Corporate Strategy.
E.1.4	Contact procedures for members who wish to communicate with Governors and/or Directors should be made clearly available to members on the NHS Foundation Trust's website.	Website and Annual Report - 'Contacting the Governors'.

In respect of **The Code of Governance, A4 (Supporting information to be made available to Governors) and A5 (Supporting information to be made available to members)**, the Board of Directors confirms that the following information is made available:

Schedule	Provision	Provision summary
A4	B.7.1	In the case of reappointment of Non-Executive Directors, the Chairperson should confirm to the Governors that after formal performance evaluation, the performance of the individual proposed for reappointment continues to be effective and to demonstrate commitment to the role.
A5	B.7.2	The names of Governors submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to take an informed decision on their election. This should include prior performance information.

In respect of **The Code of Governance, Schedule A6 (Provisions requiring a compliance statement or explanation where the Trust has departed from the code)**, the Board declares compliance with all provisions as at 31 March 2021.

THE BOARD OF DIRECTORS

During 2020/21, the Board of Directors met in public 11 times. In addition, the Board met in private on 11 occasions to consider commercially sensitive and/or confidential issues. The Board also meets in less formal workshop settings to undertake strategic planning and development activities.

As at 31 March 2021, the Board of Directors was made up of the Chairman, Non-Executive Directors (with appointment process concluding for the seventh Non-Executive Director) and six voting Executive Directors. The six voting Executive Board positions at 31 March 2021 were the Chief Executive, the Deputy Chief Executive, the Director of Finance, the Medical Director, the Chief Nurse and the Chief Operating Officer. As at 31 March 2021, the Trust is compliant with the code of governance provision B.1.2, which requires at least half the Board of Directors, excluding the Chairperson, to be Non-Executive Directors determined by the Board to be independent.

During 2020/21, the Trust Chairman led the Governors' Council in undertaking Non-Executive Director recruitment and selection to increase and maintain the Non-Executive complement on the Board in line with the Trust's constitutional provisions. This has improved Non-Executive Director oversight and scrutiny as the Trust has continued to implement and further develop its quality and financial recovery plans and carry out comprehensive organisational engagement and development work.

The role of the Board of Directors

The Board of Directors has a dual role: leadership and control. As a unitary Board, it has collective responsibility for setting the strategic direction of the organisation and for overseeing and ensuring the delivery of its strategy and the performance of the organisation.

Some of the responsibilities of the Board of Directors

- To ensure that the Trust meets its statutory duties and complies with the provisions of its provider licence and constitution
- To ensure that the organisation's policy framework is developed in accordance with the rights, pledges and responsibilities contained in the NHS Constitution
- To provide leadership for the organisation in respect of agreed organisational values and standards of conduct, in accordance with accepted standards of behaviour in public life. This includes the principles of selflessness, integrity, objectivity, openness, honesty and leadership (Nolan)
- To establish a robust performance management framework and support the Executive Team in meeting the organisation's performance targets, monitoring the performance of the Trust and ensuring that the Executive Directors manage the Trust within the resources available, in such a way as to:
 - » ensure the quality and safety of healthcare services
 - » plan for continuous improvement
 - » protect the health and safety of Trust employees and all others to whom the Trust owes a duty of care
 - » use Trust resources efficiently and effectively
 - » promote the prevention and control of healthcare associated infection
 - » comply with all relevant regulatory, legal and code of conduct requirements
 - » maintain high standards of ethical behaviour, corporate governance and personal conduct in the business of the Trust
 - » maintain the high reputation of the Trust both with reference to local stakeholders and the wider community
- To engage, as appropriate, with the Governors' Council, in accordance with the statutory and regulatory framework

The Board of Directors, and in particular the Non-Executive Directors, have developed an understanding of the views of Governors and members about the Trust, for example through:

- Attending meetings of the Governors' Council and its committees
- Governors attending meetings of the Board of Director and its sub-committees (Governors began observing sub committees in 2020/21)
- Attending informal Governor briefings and seminars on specific topics/subjects
- Externally facilitated joint Board and Governor development session
- Governor representation at some key meetings and working groups
- Regular Lead Governor meetings with the Chairman
- Question session at Annual Members' Meeting, which attracted more than 100 online attendees during 2020, when it was held virtually due to COVID-19 restrictions
- Joint Governor/Board briefing/update sessions

The Chair, the Vice Chair and the Senior Independent Officer

The Trust's Chairman chairs both the Board of Directors and the Governors' Council. The Trust's constitution makes provision for the Board to appoint a Senior Independent Director, who has particular duties in working with the Governors' Council and the Board of Directors to address any issues where it is inappropriate for the Chair to do so. Our current Senior Independent Director was appointed by the Board in June 2019, with the appointment supported by the Governors' Council. The roles of Vice Chair (appointed by the Governors' Council in January 2019) and Senior Independent Director are currently held by the same Non-Executive Director.

In 2020/21, the Trust Chair has had no other significant commitments that have had an adverse impact on his role as Chair of the Foundation Trust.

Register of Directors' Interests

All Directors are required to complete and keep up-to-date their declarations of interest, which are recorded in the Register of Directors' Interests. A copy of the register (Board member extract) is presented regularly at the Board's public meetings and is available on the website or by contacting the Trust Secretary on 01553 613614.

Delegation and the committees of the Board of Directors

The Board of Directors' terms of reference and scheme of delegation set out those matters reserved for the Board. The Board delegates powers to formally constituted committees, in accordance with its scheme of reservation and delegation.

Committees reporting and accountable to the Board of Directors at 31 March 2021 were:

- The Quality Committee
- The Finance and Activity Committee
- The People Committee
- The Nomination and Remuneration Committee (Executive Director appointments)
- The Education, Research and Innovation Committee
- The Audit Committee

In addition, the senior leadership team also reported to the Board. It is responsible for overseeing the day-to-day operational management of an effective system of integrated governance, risk management and internal control across the Trust's clinical and non-clinical activities, which support the achievement of our vision, mission and objectives.

The Trust's Charitable Fund Committee reports to the Board acting as Agent of the Corporate Trustee.

The Audit Committee and audit

The Audit Committee met six times during 2020/21. Its purpose is to maintain oversight of the adequacy of the control environment of the Trust, including those controls related to financial reporting procedures and quality. This work involves the monitoring of the effectiveness of internal controls and risk management processes. The Audit Committee approves strategies and plans for countering fraud and receives reports from the Trust's Local Counter Fraud Specialist at each meeting. The Chair of the Committee is a qualified accountant.

The Audit Committee approves the audit work programme and monitors the effectiveness of the internal audit function. The committee also receives and considers reports and opinion from both internal and external auditors. Grant Thornton provided the Trust's internal audit function in 2020/21. The internal auditors audit a range of both financial and quality controls at the Trust and provide levels of assurance accordingly.

The work of the Audit Committee supports the completion of the Annual Governance Statement by the accounting officer.

The Trust's external auditor for the period covered by this Annual Report was KPMG. KPMG was reappointed in 2016/17 as the Trust's external auditors by the Governors' Council after a transparent process, overseen by a group of Governors who were appointed by the full council. KPMG has provided no additional non-audit services in 2020/21.

The Audit Committee is satisfied concerning the ongoing independence of the external audit function.

Nomination and Remuneration Committee (Executive appointments)

The Committee reviews and makes recommendations to the Board on the composition, balance, skill mix and succession planning of the Board. It oversees recruitment and appointment of the Chief Executive (for the approval of the Governors' Council) and recruitment and appointment of other Executive Directors. It also approves the remuneration of the Chief Executive, Executive Directors and other Directors reporting to the Chief Executive.

During the year the Committee approved substantive appointments for the positions of Chief Nurse and Director of People, and recruitment to the substantive position of Director of Patient Safety.

Evaluating the Board's performance

The Board of Directors uses a number of methods to evaluate the performance of the Board and its committees. In 2020/21, performance evaluation methodologies used include:

- Board self-assessment (after each Board meeting from November 2020 onwards)
- Executive Director appraisal
- Trust Chairman and Non-Executive Director appraisal
- Externally facilitated Board development programme
- Performance evaluation of the Audit Committee using the model criteria of the NHS Audit Committee Handbook
- Committee self-assessment (after each committee meeting) from November 2020 onwards
- Board committee effectiveness reviews, including a self-assessment survey, adapted from the NHS Audit Committee Handbook, review of terms of reference and production of committee Annual Reports. This process will conclude at committees in April 2021 with outcomes reporting to Board in May 2021

In 2020/21, the Board completed the self-certification requirements in relation to General Condition 6 of the NHS Provider Licence. It also made its corporate governance statement and declarations in relation to current and future compliance with the NHS Provider Licence Condition FT4.

In 2020, the Trust commissioned a well-led review of its Board and committees, which was carried out by a senior NHS Improvement team. The reviewers were independent, having no other connections with the Trust.

The Trust's Constitution

The Trust's Constitution sets out the governance arrangements for the organisation. It is published on the Trust's website in the Corporate Governance section.

The Trust's Constitution Working Group reviews the provisions of the Constitution periodically. Proposed changes are approved by the Board of Directors, the Governors' Council and by members at the Annual Members' Meeting where the proposed revisions pertain to the powers or duties of the Governors. The Constitution was last reviewed in 2019/20 and changes relating to terms of office for Governors were approved at the Trust's Annual Members' Meeting in 2019.

Directors (voting board members) 1 April 2020 to 31 March 2021	Date of end of current NED terms of office	Audit Committee Six meetings		Nomination and Remuneration Committee (ED appointments) Five meetings	Meetings attended out of 11 Board of Director (ordinary meetings)
Professor Stephen Barnett - NED Trust Chairman From 5 November 2018	Nov 2021			✓ 5/5	11/11
Alan Brown - NED, Vice Chair and SID Chair of Charitable Fund Committee From 1 May 2018	May 2021			✓ 5/5	11/11
David Dickinson - NED Chair of the Audit Committee From 2 July 2018	Jul 2021	Chair	6/6	✓ 4/5	10/11
Dr Ian Mack - NED Chair of the Quality Committee From 1 April 2019	Apr 2022	✓	6/6	✓ 5/5	11/11

Directors (voting board members) 1 April 2020 to 31 March 2021	Date of end of current NED terms of office	Audit Committee Six meetings	Nomination and Remuneration Committee (ED appointments) Five meetings	Meetings attended out of 11 Board of Director (ordinary meetings)
Graham Ward - NED Chair of the Finance and Activity Committee From 26 August 2019	Aug 2022	✓	6/6	✓ 5/5 11/11
Simon Roberts - NED Chair of the People Committee From 20 May 2019	May 2022		✓	5/5 10/11
Dr Claire Fernandez - NED Chair of the Education, Research and Innovation Committee From 1 July 2020	June 2023		✓	5/5 8/8
Caroline Shaw Chief Executive From 14 January 2019		5/6	✓	4/4 11/11
Laura Skaife-Knight Deputy CEO From 21 October 2019				11/11
Chris Benham Director of Finance From 1 January 2020		6/6		11/11 (1 sub)
Dr Frankie Swords Medical Director From 3 June 2019				11/11 (1 sub)
Denise Smith Chief Operating Officer From 29 April 2019				11/11
Carmel O'Brien Acting Chief Nurse From 16 March 2021				0/0
Jackie Schneider - NED From 14 October 2019 - 29 January 2021 (career break 1 November 2020 - 29 January 2021)	Oct 2022		✓	3/3 7/7
Libby McManus Chief Nurse From 15 July 2019 - 30 August 2020				4/4 (1 sub)
Dr April Brown Chief Nurse From 1 August 2020 - 16 March 2021				7/7
Key:	✓ = Committee member	No longer serving on the Board of Directors		

THE ROLE OF THE GOVERNORS' COUNCIL

The Governors' Council

- Appoints the Chair and Non-Executive Directors to the Board of Directors
- Sets the remuneration of the Chair and Non-Executive Directors
- Approves the appointment of the Chief Executive officer
- Appoints the auditor
- Influences decisions about developing services

The Governors' Council is not responsible for the day-to-day running of the Trust.

Statutory duties for Governors

- To hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors
- To represent the interests of Foundation Trust members as a whole and the interest of the public

Governors

- Have the right to receive Board agendas and minutes
- Can require Directors to attend a meeting to obtain information about Foundation Trust performance or Director performance
- Vote to approve:
 - » Constitutional changes
 - » A merger, acquisition, dissolution or separation
 - » An increase by more than 5% of the Foundation Trust's non-NHS income

Advice and training for Governors

- Foundation Trusts are required to ensure their Governors have the skills and knowledge needed to carry out their roles
- The regulator has established a panel to give advice to Governors – more than half of the Governors would need to approve a referral to the panel

The composition of the Governors' Council

16 elected Public Governors

- 9 from West Norfolk
- 2 from Breckland, North Norfolk and the rest of England
- 3 from Cambridgeshire
- 2 from South East Lincolnshire

6 elected Staff Governors

- 3 clinical
- 3 non-clinical

7 appointed (partner) Governors

- Norfolk County Council (statutory)
- Borough Council of King's Lynn and West Norfolk
- Breckland District Council
- The University of East Anglia
- The College of West Anglia
- West Norfolk Carers
- Freebridge Community Housing

Lead Governor's statement

This has probably been the most challenging year that the QEH has ever experienced. Governors have been impressed by the way that staff have risen to the exceptional situations they have faced.

The response of patients, families and the community to the effects of the pandemic has been amazing. Support in many forms has come from all areas served by our hospital, reflecting the admiration in which our staff are held.

Governors have continued to work alongside Board members on a weekly basis. We have been very well-served by the level of communication from the Trust which has enabled us to remain in close contact. Our council and committees have continued to meet via Microsoft Teams, to receive appropriate reports and updates and to hold the Board's Non-Executive Directors to account.

We have been particularly impressed that the Trust has successfully addressed the majority of the challenges posed by last year's CQC inspection while continuing to make financial savings where possible. Our extensive Staff Engagement Programme has also been of particular interest, with its success reflected in the results of our recent staff survey.

Governors regret that they have been unable to keep in their usual close contact with community organisations, though we have done our best to remain in virtual contact with our members. We all look forward to the time when we can meet together again.

At this time, we are anxious that our waiting lists – which have inevitably increased in the past months – should be addressed as soon as possible, but we need to ensure that our frontline staff have time and space to recover from the demands of the past months.

Governors will be working with our community to seek support for our case for a new hospital. The condition of our estate is of grave concern for us all.

Finally, I would like to thank my colleagues for their continuing support, and especially thank our Chairman Steve Barnett, CEO Caroline Shaw and the rest of the Board for ensuring that Governors have been able to play an appropriate and effective part in the life of our hospital.

Esmé Corner OBE
Lead Governor

2020/21 ELECTION REPORT

In November 2020, the Trust held staff by-elections in both the clinical and non-clinical constituencies. The elections were held in accordance with the election rules set out in the Trust's Constitution, to enable members to elect candidates to the vacancies on the Governors' Council. The election was independently overseen by UK Engage.

The staff clinical and staff non-clinical constituencies were both contested and candidates started their term of office on 16 November 2020.

Constituency/area	Governors to elect	Contested?	Turnout	Name	Term
Public and staff constituencies					
Staff clinical	2	Yes	14.94%	Prudence Fox Dr Rebecca Perris	3 years (remainder of three-year term ending 31 January 2023)
Staff non-clinical	1	Yes	17.72%	Emma Carlton	3 years (remainder of three-year term ending 31 January 2023)
Staff clinical (second round)	1	Yes	(14.94%)	Paul Cullen	3 years (remainder of three-year term ending 31 December 2022)

At the close of the 2020 staff elections, a further vacancy arose in the staff clinical constituency. UK Engage, our electoral providers, advised that the Trust could approach the third placed candidate. Third place was tied so UK Engage carried out a 'short straw' electronic selection process and Paul Cullen was selected. Mr Cullen was appointed with immediate effect, following the approval of the Governors' Council at its meeting on 10 December 2020.

MEETINGS OF THE GOVERNORS' COUNCIL

The Governors' Council has met formally in public seven times during 2020/21, including the Annual Members' Meeting, and has held three private extraordinary meetings.

The dates and venues for the Governors' Council meetings in 2021 can be found on the QEH website in the Governors' Council section. Alternatively, members can contact the Foundation Trust Office on 01553 613142 or email FTMembership@qehkl.nhs.uk for details.

Esmé Corner OBE was re-elected by her peers as Lead Governor. Malcolm Bruce stood down as Deputy Lead Governor for health reasons. Esmé Corner attends all the Governors' Council committee meetings, as well as various Trust Board and assurance group meetings.

Committees of the Governors' Council

The Governors' Council may not delegate its powers. It has, however, set up four committees and one working group to assist in the delivery of some of its statutory functions. The four committees have met throughout the year and have made progress with their designated work programmes.

The Membership and Communications Committee - continues to support engagement and communication with the members and wider public in line with the Membership and Communications Strategy.

Membership recruitment - within the strict constraints of the COVID-19 pandemic, the committee was unable to maintain its public membership numbers and address areas of underrepresentation in the public membership profile. Contact with the College of West Anglia in 2021 should restore numbers and help to improve engagement from younger people. Membership recruitment events, including the Governors' healthcare events, had to be cancelled, which has resulted in a substantial decrease in membership totals. The General Data Protection Regulation (GDPR), introduced in May 2018, continues to allow people to automatically remove their membership through an 'unsubscribe' link on emails.

Communication/engagement - the committee has nominated members to participate in the production of 'Trust Matters', the Governors' newsletter, to improve communication with members and the wider public. The Governors have continued their work programme, in line with our Foundation Trust Membership Recruitment and Engagement Strategy, within the COVID-19 restrictions.

The Nomination and Remuneration Committee (Non-Executive Director appointments) - Makes recommendations to the Governors' Council regarding the appointment and remuneration of Non-Executive Directors using the 'Structure to Align Remuneration for chair and Non-Executive Directors of NHS Trusts and NHS Foundation Trusts Implementation Document: November 2019'. The terms of reference for this committee have been drawn up with Non-Executive Directors using the code of governance and Monitor's 'Your Statutory Duties - A Reference Guide for NHS Foundation Trust Governors'. The Nomination and Remuneration Committee recommended the recruitment of one new Non-Executive Director to the Governors' Council, which was approved in May 2020.

The Patient Experience Committee - Makes recommendations through the Governors' Council to help ensure that the patient perspective is understood and considered when the Trust's services are being planned and reviewed.

The committee's activities throughout 2020/21 have included:

- Engagement with Norfolk Healthwatch
- Liaison with matrons and lead medical staff
- A review of patient experience information drawn from a variety of sources

As representatives of our patients and the public, Governors have also been involved in a variety of areas of the Trust's work, including:

- Building relationships and formal liaison with West Norfolk Patient Partnership and affiliated GP patient participation groups across all constituencies
- Attending West Norfolk Association meetings held by the clinical commissioning group (CCG)

The Business Committee - Discusses the QEH's engagement with the Trust's regulator with Executive and Non-Executive Directors and carries out detailed work in respect of finance, strategic planning and business decisions which require approval from the Governors' Council. The focus of the committee's meetings has evolved to ensure that agendas are more forward-looking. The committee makes recommendations to the Governors' Council, as appropriate.

All Governors were offered the opportunity to attend finance training conducted by the QEH Director of Finance during the year.

Trust Board committees - The chair of the Governors' committees and the Lead Governor now observe at the associated Trust Board committees, which include the Quality, Finance and Activity and People Committees.

The Constitution Working Group - Undertakes work and makes recommendations, as necessary, regarding proposed amendments to the Trust's Constitution.

Contacting the Governors - Members and the public are welcome to contact the Governors at FTGovernor@qehkl.nhs.uk or by writing to:

**The Foundation Trust Office,
The Queen Elizabeth Hospital King's Lynn NHS Foundation
Trust, Gayton Road, King's Lynn, Norfolk
PE30 4ET**

THE GOVERNORS' COUNCIL COMPOSITION IN 2020/21

Constituency	Name	Current term/Period remaining (years)	Governors' Council meetings attendance	Nomination and remuneration	Membership and communications Committee member	Patient experience Committee member	Business Committee member
West Norfolk (9)	Simon Clarke (elected Feb 2019) 2nd term	1/3	5/6				Chair
	Tracy Corbett (elected Feb 2020) 1st term	2/3	4/5			✓	
	Esmé Corner OBE (Lead Governor) (re-elected Feb 2020) 4th term	2/3	7/7	✓	✓	✓	✓
	Jonathan Dossetor (re-elected Feb 2020) 4th term	2/3	6/6	✓	Chair	✓	
	Ann Easton (elected Feb 2019) 1st term	1/3	5/6			✓	
	Penny Hipkin (re-elected Feb 2017) 4th term	2/3	7/7	✓	✓	✓	
	Patrick Kavanagh (elected Feb 2017) 1st term	1/3	0/5				✓
	Mike Press (elected Feb 2020) 1st term	2/3	6/6			✓	✓
	Kenneth Wicks (elected Feb 2019) 1st term	1/3	4/5				✓
Cambridgeshire (3)	Jenny Brodie (re-elected Feb 2019) 3rd term	1/3	6/6	✓		✓	
	Malcolm Bruce (Deputy Lead Governor) (re-elected Feb 2020, stepped down Dec 2020) 2nd term	2/3	6/7		✓	✓	

Constituency	Name	Current term/Period remaining (years)	Governors' Council meetings attendance	Nomination and remuneration	Membership and communications Committee member	Patient experience Committee member	Business Committee member
Cambridgeshire (3)	Betty Lewis (re-elected Feb 2020) 4th term	2/3	6/6		✓	✓	
Breckland, North Norfolk and rest of England (2)	Alan Clarke (elected Feb 2020) 1st term	2/3	1/3				✓
	Dale Welch (elected Feb 2019) 1st term	1/3	4/5			✓	
South East Lincolnshire (2)	Colin Dobbins (elected Feb 2020) 1st term	1/3	2/5		✓	✓	
	Alan Maltby (elected Oct 2020) 2nd term	2/3	2/2			✓	
	Martyn West (elected Feb 2020) 1st term	-	1/1			✓	
Staff clinical (3)	Paul Cullen (elected Dec 2020) 1st term	1/3	1/2				
	Prudence Fox (elected Nov 2020) 1st term	2/3	2/2				
	Rebecca Perris (elected Nov 2020) 1st term	2/3	1/2				
	Gavin Walker (elected Feb 2020) 1st term	-	1/2				✓
	Anthony Wilson (elected Feb 2019) 1st term	-	1/4		✓		

Constituency	Name	Current term/Period remaining (years)	Governors' Council meetings attendance	Nomination and remuneration	Membership and communications Committee member	Patient experience Committee member	Business Committee member
Staff non-clinical (3)	Emma Carlton (elected Nov 2020) 1st term	2/3	1/2				
	David Close (elected Feb 2020) 1st term	-	2/3		✓		
	Chaz Scholefield (elected Feb 2019) 1st term	1/3	4/5	✓	✓		
	Dan Todd (elected Feb 2019) 1st term	1/3	6/6			✓	
Appointed Governors (7)							
Borough Council of King's Lynn and West Norfolk	Paul Kunes (from June 2015)		5/7	✓			✓
Breckland Council	Peter Wilkinson (from June 2019)		2/7			✓	
College of West Anglia	Ann Compton (from Feb 2017)		3/7		✓	Chair	✓
Freebridge Community Housing	Andy Walder (from March 2017)		6/7	✓			Chair
Norfolk County Council	Thomas Smith (from June 2019)		6/7				✓
West Norfolk Carers	Jane Evans (from Feb 2017)		6/7		✓	✓	
University of East Anglia	Sue Madden (from Nov 2019)		3/7	✓			✓
Key	✓ = Committee member	No longer serving on the Governors' Council as at 31 Mar 2021					

Meeting attendance includes the Annual Members' Meeting and excludes extraordinary Governors' Council meetings. It should be noted that Governor attendance at some meetings was restricted at the start of the COVID-19 pandemic.

All Governors have made declarations of interest and have signed copies of the Trust's 'Code of Conduct for Governors'. The Register of Interests is taken to every Governors' Council meeting.

Who can become a member?

Membership of the Foundation Trust is free and is open to patients, the public and NHS staff. Becoming a Foundation Trust member shows that you are interested in the hospital and its future.

Membership is open to most people over the age of 16 who live or work within the Trust's catchment area, which is:

- West Norfolk
- Part of Breckland and north Norfolk
- Part of northern Cambridgeshire
- Part of south east Lincolnshire

Membership is also open to people who live outside the area but have an interest in the Trust.

Our staff

Because we appreciate and value our staff, they automatically become members of the Foundation Trust and do not need to apply for membership. Anyone who does not wish to be a member can choose to opt out.

How do I apply to become a member?

There are a number of ways to apply for Foundation Trust membership.

The easiest way is to apply online by visiting our website, at www.qehkl.nhs.uk, and completing the application form which is available in the Foundation Trust section.

Alternatively, you can email FT.membership@qehkl.nhs.uk to receive an application form in the post, or write to us at:

The Foundation Trust Office
The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust
Gayton Road
King's Lynn
Norfolk
PE30 4ET

You can also call the Foundation Trust Office on 01553 613142 for information about becoming a member.

The membership strategy

QEH had 7,074 public members by the end of March 2021.

CURRENT FOUNDATION TRUST PUBLIC MEMBERSHIP

The QEH public constituency	Members 31 March 2020	Members 31 March 2021
Gender		
Male	2,804	2,660
Female	4,602	4,413
Not stated	0	1
Constituency		
Breckland, North Norfolk and rest of England	1,283	1,218
Cambridgeshire	701	664
South East Lincolnshire	552	521
West Norfolk	4,870	4,671
Age		
16-21	721	534
22-29	961	1,012
30-39	527	504
40-49	588	568
50-59	754	716
60-74	1,697	1,605
75+	1,607	1,616
Not stated	551	519
Ethnicity		
White	6,981	6,665
Mixed	34	34
Asian or Asian British	71	68
Black or Black British	37	36
Other	19	17
Not stated	264	254
Total	7,406	7,074



OSCAR Administration Interface

Device Name: All

One-Click Operation Mode:

Device Name	Model	Type	Serial	IP Address	MAC Address	OS Version	File Count
427-Share 1	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 2	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 3	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 4	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 5	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 6	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 7	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 8	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 9	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 10	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 11	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 12	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 13	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 14	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 15	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 16	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 17	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 18	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 19	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 20	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 21	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 22	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 23	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 24	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 25	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 26	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 27	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 28	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 29	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100
427-Share 30	322F	Tablet	1901100	19041100	40:00:00:00:00:00	1.0	100



NHS NHS NHS

SINGLE OVERSIGHT FRAMEWORK

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

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

Based on information from these themes, providers are segmented from one to four, where 'four' reflects providers receiving the most support, and 'one' reflects providers with maximum autonomy. A Foundation Trust will only be in segments three or four where it has been found to be in breach or suspected breach of its licence.

Segmentation

NHS England and NHS Improvement has placed the QEH in segment four. This segmentation information is the Trust's position as at 8 April 2021. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS Improvement website.

The Trust is in breach of its licence and has monthly performance review meetings with NHS England and Improvement. For more information, see the Annual Governance Statement.

Statement of the Chief Executive's responsibilities as the Accounting Officer of The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust

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

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

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

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

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

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

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



Caroline Shaw CBE
Chief Executive

14 June 2021

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust has a Risk Management Strategy in place which makes it clear that the CEO as Accountable Officer has overall accountability and responsibility for risk management. The Director of Patient Safety is the lead executive director with responsibility for risk management and the implementation of the Trust's Risk Management Strategy and Risk Management Policy and procedures. The Director of Patient Safety has line management responsibility for the patient safety function which includes the Patient Safety and Legal Teams. The Risk Manager oversees and supports the maintenance of the Trust's Risk Register at all levels of the organisation, and undertakes risk management training throughout the Trust.

The Trust's Risk Management Strategy outlines the role, responsibility and accountability of the CEO, executive directors, director of patient safety, divisional leads, department risk handlers and all staff in relation to risk management. The strategy also outlines the role, responsibility and accountability of the:

- Trust Board
- Audit Committee
- Quality Committee
- Finance & Activity Committee
- People Committee
- Senior Leadership Team
- Assurance & Risk Executive Group (A®)

The Assurance & Risk Executive Group (A®), chaired by the Director of Patient Safety, has lead responsibility for the implementation of the Trust's Risk Management Strategy under the leadership of the Director of Patient Safety. The A® meets monthly and reports to the Senior Leadership Team, which reports to the Trust Board.

The Board of Directors agrees and monitors the Board Assurance Framework and all significant risks (those graded at 15 or above) included on the Trust's Risk Register. The Board Assurance Framework sets out the principal risk to the delivery of each of the Trust's strategic objectives and also aligns all significant risks to the most appropriate strategic objective and principal risk. Each significant risk has a lead Executive Director and a responsible board level committee assigned to it.

Risk management training is provided to relevant staff and policies and related templates are available on the Trust's intranet site.

Staff are expected to provide safe clinical practice, report incidents and potential hazards, be familiar with the Trust's Risk Management protocols and departmental risk issues, comply with all Trust policies and procedures and take reasonable care of their own safety and the safety of others. The Trust uses a Datix-web system for the reporting of incidents. All reported incidents are reviewed regularly. Learning from incidents and complaints are regularly shared across the organisation via a patient safety newsletter and other bulletins, such as the Medical Directors' bulletin and Patient Safety Learning Events.

The risk and control framework

The Risk Management Strategy 2019-22 sets out the Trust's approach to managing risk within the organisation.

The Board is responsible for establishing strategic objectives and driving the Trust forward to achieve these, identifying associated principal risks. It is responsible for ensuring that there are effective systems in place to identify and manage the risks associated with the achievement of these objectives through the Board Assurance Framework and through the Significant Risk register.

On behalf of the Board, the Audit Committee reviews the establishment and maintenance of an effective system of internal control and risk management across the whole of the Trust's activities that supports the achievement of the Trust's objectives.

The A®, responsible for the implementation of the Trust's Risk Management Strategy, receives a Significant risk report at every monthly meeting, which includes all risks graded at 15 or above. The A® also scrutinises Divisional and departmental risks by means of risk reports and confirm and challenge of controls, assurance and further actions required. The A® provides assurance to the Board and its sub-committees, via the Senior Leadership Team, regarding the management of risk in accordance with Trust policy and escalates concerns by means of a Chair's Assurance report. In April 2020, a new Risk Management Policy and Procedure was ratified by the A® to ensure alignment with the Trust's new five-year Corporate Strategy, the Board Assurance Framework and associated governance arrangements.

Divisional Leadership Teams (DLTs) are responsible for reviewing moderate risks (those graded at 8-12). DLTs also review any significant risks relevant to their Division prior to review by the Executive Lead director and further review at the Trust's A®. All significant risks have nominated Executive leads who approve the

risk review each month. Significant risks are aligned to the Trust's Key Strategic Objectives and principal risks as included in the Board Assurance Framework (BAF).

The Trust's risk management process is to score or 'grade' risks in accordance with Trust policy, requiring the application of a National Patient Safety Agency 5x5 matrix system, which takes account of the likelihood and impact of the risk, if it were to be realised.

Each Division and department articulates its risks on the risk recording module within Datix. Low risks (those graded below 6) are managed at department or local level and presented to Divisional Leadership Teams on an annual basis. Moderate risks (those graded between 8-12) are managed at Divisional level and are reviewed at the A® at least every 3 months. Significant risks (those graded at 15 or above) are managed at Divisional level, with a nominated Executive Lead and are included in Significant risk reports to the A® on a monthly basis. The Significant risk report is also received by the Trust Board and the relevant Board Committee (in accordance with the alignment of a responsible Committee for each significant risk).

Monthly significant risk reports to the Trust Board and the responsible Board level committee detail controls in place to mitigate against significant risks. Any gaps in controls are highlighted through this process, allowing appropriate management action to be agreed and taken.

The Board agrees target risk ratings for principal risks which could affect the achievement of the Trust's strategic objectives and also for significant risks aligned to each objective. The Board assesses residual risk and examines its risk profile by means of alignment of significant risks to the most relevant strategic objective. The Board seeks assurance that effective internal controls and mitigations are in place through reports to the responsible Board level committee.

The Board has articulated its risk appetite associated with each of its strategic objectives and principal risks and this is included in the Board Assurance Framework (BAF).

The BAF forms part of the overall risk management and assurance process of the Trust and allows the Board to maintain oversight of the principal risks to the delivery of the Trust's strategic objectives. The BAF includes 'assurances' or evidence that risks are being managed effectively and identifies 'gaps' in assurance which may indicate that a risk is not being effectively managed.

The BAF has been re-formatted and updated to reflect the six new strategic objectives identified as part of the new Corporate strategy (QEH Strategy 2020 -2025). This reformatting was done in consultation with the NHS/IE Risk Lead and reviewing best practice from Trusts rated Good or Outstanding by the CQC. Each of the new strategic objectives have a 'principal risk' and significant risks (those scoring 15 or above) are aligned to the most relevant strategic objective. The new approach was approved by the Board in June 2020 (at the same time as the new Corporate Strategy).

The Internal Audit review of the Risk Management systems reported in September 2020, provided partial assurance with improvement required due to the fact that the new Risk Processes had been developed in year; there were two low recommendations and one improvement recommendation. The Internal Audit review of the Board Assurance Framework, undertaken in 2020 and reported in January 2021, gave a 'green - significant assurance with some improvement rating' providing substantial assurance that the controls upon which the organisation relies to manage the identified risk(s) are suitably designed, consistently applied and operating effectively. One medium and one low priority action were recommended to update the format of the BAF and to assess the effectiveness of controls documented on risk registers.

Quality governance

Non-Executive Director-led Board committees have been operational throughout the year, all reporting to the Trust Board:

- Quality Committee
- Finance and Activity Committee
- People Committee
- Education, Research and Innovation Committee

These run alongside the:

- Audit Committee
- Nomination and Remuneration Committee (Executive Director Appointments)

The Senior Leadership Team (SLT) reports into Board. SLT oversees the day to day operational management of an effective system of integrated governance, risk management and internal control across the whole organisation's activities, both clinical and non-clinical, which support the achievement of the organisation's vision, mission and objectives. A number of Executive-led groups report into the Senior Leadership Team, these being:

- Assurance and Risk Executive Group
- Clinical Governance Executive Group
- Operational Management Group
- Investment and Innovation Executive Group (renamed the Investment and Capital Planning Executive Group in March 2021)
- People Executive Group

The Trust's Senior Leadership Team, Board and key Non-Executive Director-led Board level Committees meet on a regular, programmed basis to scrutinise and oversee our work, with additional oversight arrangements commissioned where required.

During the year, the Trust has put in place a range of systems to provide assurance to the Board in respect of our compliance with quality standards. This includes systems to support the Board's assurance and decision-making with comprehensive information. The Integrated Performance Report is a key report which has been reviewed and strengthened for 2020/21 with the introduction of plot the dots (Statistical Control Process) methodology, and will continue to be further developed in 2021/22.

The Trust has an Integrated Quality Improvement Plan (IQIP) (as described on page 121) in place, covering strategic priorities, Licence Conditions reporting and CQC 'must do'/'should do' actions - reporting internally into the Trust's quality governance structure, to the Quality Forum, and onto the Senior Leadership Team and the Non-Executive Director-led Quality Committee, the Trust Board and externally to the Oversight and Assurance Group and the CQC. The quality governance structure includes an Evidence Assurance Group which has received external recognition, and a Conditions and Notices Group, set up to oversee and provide assurance to the Trust Board that sustainable improvements have been introduced and sustained to support delivery of the IQIP.

Strategic objectives and principal risks

The Trust's BAF reflects the six Key Strategic Objectives identified as part of the Corporate Strategy. Each of the Key Strategic Objectives (KSO) has a 'Principal Risk' and Significant Risks (those scoring 15 or above) aligned to the most relevant Key Strategic Objective.

	Key Strategic Objective	Principal Risk
KSO 1 Quality	To consistently provide safe and compassionate care for our patients and their families	There is a risk that patients may receive sub-optimal care/treatment, with failures associated with: <ul style="list-style-type: none"> • Outcomes • Safety • Experience
KSO 2 Quality	To modernise our hospital (estate, digital infrastructure and medical equipment) to support the delivery of optimal care	There is a risk that patients may receive sub-optimal care/treatment, with failures associated with: <ul style="list-style-type: none"> • Estate • Digital Infrastructure • Medical Equipment
KSO 3 Engagement	To strengthen staff engagement to create an open culture with trust at its centre	There is a risk that Trust leaders may be unable to strengthen staff engagement and trust impacting on the development of an open culture at the Trust There is a risk that the underlying organisational culture impacts on the improvements that are necessary to patient and staff experience which will prevent QEH moving forward at the required pace. Specifically, there is a requirement for urgent and significant improvement in relation to staff attitudes and behaviours
KSO 4 Engagement	To work with patients and system partners to improve patient pathways and ensure clinical and financial sustainability	There is a risk that the Trust is unable to work effectively with patients and system partners to improve patient pathways. This could impact the Trust's ability to ensure clinical and financial sustainability
KSO 5 Healthy Lives	To support our patients to improve their health and clinical outcomes	There is a risk that the Trust is unable to adequately support our patients to improve their health and clinical outcomes
KSO 6 Healthy Lives	To maximise opportunities for our staff to achieve their full potential so that the Trust can deliver outstanding care	There is a risk that Trust leaders are unable to maximise opportunities for staff which could impact on the ability of staff to deliver outstanding care

During the year the Board Assurance Framework has been received by the Board on a bi-monthly basis, moving to monthly reporting from September 2020 onwards. This has ensured that the Board has monitored its position and mitigations in respect of these principal risks throughout 2020/21. In addition, the Board and its reporting committees consider all Significant risks aligned with the BAF and their associated mitigations on a monthly basis as described in the sections above.

The Trust has one risk scoring 20 which is the Trust's highest scoring risk on the Significant Risk Register, aligned to KSO2 of the above strategic objectives.

This risk (number 392) describes the risk associated with the structural integrity of the roof and walls of the main hospital site due to the RAAC (reinforced autoclaved aerated concrete) plank construction of the hospital.

The Trust is following the best practice strategy for managing the structure of the roof and walls of the hospital. This strategy has been developed in collaboration with other RAAC affected hospitals and has been reviewed by the Trust's specialist engineers and endorsed by NHSE/I. The Trust has implemented an internal programme board to oversee the series of measures and actions that are in place to monitor and manage the risk around the roof and walls. These measures include ongoing surveying of the roof and the immediate installation of temporary solutions to ensure any defective planks are given additional support through temporary propping or through the installation of temporary steel works.

Whilst the above measures are temporary in nature the Trust is developing a business case to access capital funding to implement year one of a more robust three year fail-safe system across the site.

The Board of Directors receive monthly updates on the status of the risk and on the status of the survey and the temporary measures that are in place to monitor, manage and mitigate the risk, with monthly monitoring and oversight through the Board's Finance and Activity Committee.

Alongside this work the Trust continues to develop a strategic outline case for a new hospital for the QEH site.

Well-led

The regulatory definition of a 'well-led' organisation is one where the leadership, management and governance of the organisation ensure the delivery of sustainable high-quality person-centred care, support learning and innovation, and promote an open and fair culture.

The 2019 CQC inspection found the Trust to be 'Inadequate' in the 'Well-Led' domain. Whilst the Trust remains rated 'inadequate' until a further inspection can be undertaken (delayed due to the COVID-19 pandemic), the Trust has continued to receive well-led support from NHS Improvement. A well-led assessment was incorporated in the CQC's unannounced focused core service inspection in September 2020, confirming an improved rating of Inadequate to Requires Improvement for Urgent and Emergency Care, Medicine, End of Life Care and Diagnostic Imaging and published in their December 2020 CQC Inspection report.

The Trust commissioned NHSE/I to undertake a well-led review to assess the Trust's progress, which concluded in October 2020. The findings were positive, providing assurance that the governance structure and leadership changes introduced are starting to embed and there is evidence of improvement. The Board sub-committees undertook an effectiveness review in quarter four, the outcomes of which were considered at April 2021 Committee meetings with a final report to Board in May 2021.

During 2020/21 the Trust has made high calibre appointments to its Board; increasing the Non-Executive Director contingent from five to seven (in line with constitutional provisions) and making substantive appointments to the positions of Chief Nurse and Director of People. The Executive Team has been strengthened to address specific areas where there is evidence strong leadership and significant improvements are required. The Director of Patient Safety post was introduced to ensure a real focus on Quality Improvement and Safety and substantive recruitment completed in April 2021.

The Board has a comprehensive, externally facilitated Board development plan in place, supported by NHS England/Improvement.

Although some of the leadership development programmes were paused to respond to the COVID pandemic in 2020/21 the Trust ran a number of leadership programmes to support and develop the leadership skills of our staff, including:

- Divisional Leadership Team development
- Clinical Director development programme
- Middle Managers (band seven) leadership development programme
- Band five and band six leadership development programme

The Board completed its Corporate Governance Statement in accordance with Licence Condition 4 in May 2020 and confirmed all but one statement in relation to the Board being 'satisfied that the Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of healthcare services to the NHS'. Given the Board approved a new governance structure in February 2020, in May 2020 the Board considered that further work and time was

needed to embed these improvements to ensure that the corporate governance and departmental changes made were effective.

Over the course of the year the Trust's Senior Leadership Team, Board and Board sub-committees have met on a regular, programmed basis to scrutinise and oversee the Trust's operations. Further work has been undertaken to review the executive groups and reporting fora as part of the operational arm of the Trust's governance structure.

During quarter four the Board sub-committees have undertaken committee effectiveness reviews and the Executive Team has further reviewed the Executive Groups and their reporting Fora to ensure that the Trust's governance structure and the clarity of reporting lines and accountabilities continue to be strengthened as we move into 2021/22.

During the year the Trust has put in place a range of systems to provide assurance to the Board in respect of the Trust's compliance with a range of healthcare standards and compliance with its NHS foundation trust license condition 4 by several means, including:

- The Board received details reports at monthly public Board meetings which include key national performance measures on quality, operational performance, finance and workforce. There is the opportunity for robust challenge and debate about these reports, the work underway to meet the Trust's key strategic objectives and to provide leadership and oversight of the systems in place for care provision and service delivery.
- The Non-Executive Chairs of board sub-committees provide assurance reports to the Board in public on the level of assurance and key items for escalation or approval from their respective committee meetings. All actions are monitored through the Board's action log.
- The Quality, People and the Finance & Activity committees of the Board receive detailed reports on quality, people, finance and operational performance for scrutiny and challenge by committee members. All actions are monitored through each committee's action log.
- The Audit Committee seeks additional assurance on risk management by commissioning internal and external audits as part of the audit work programme or in response to specific issues and requires evidence that effective systems and processes are in place to mitigate and manage risk.
- The Board Assurance Framework and significant risk register is received at the monthly People, Quality and Finance and Activity committees and board meetings in public
- Timely responses to NHS Improvement information and monitoring requests and executive team attendance at the Overview and Support Meetings with NHS Improvement and the Oversight and Assurance Group meetings with wider system Partners including the CQC
- Systems to provide comprehensive information to inform the Board's and sub-committee's assurance and decision-making:
 - » The Integrated Performance Report is a key report which has been reviewed and streamlined for 2020/21. In June 2020 the new report, using Plot the Dots (Statistical Process Control), was introduced to enable greater visibility and oversight of areas which require clear focus due to ongoing issues in relation to performance rather than those which are delivering within the parameters of agreed statistical variation. This report has improved the information provided to inform Board, Committees and Divisional business. The Board has requested an expert assessment of the Trust's use of this reporting format to ensure we are maximising the insight this reporting approach can provide.

- » The Trust's Integrated Quality Improvement Plan (IQIP) covering strategic priorities, Licence Conditions and Care Quality Commission (CQC) Must / Should actions is reported internally monthly to the Quality Forum, the Quality Committee and Board and externally to the Oversight and Assurance Group and the CQC.
- » The quarterly Corporate Strategy Key Performance Indicator (KPI) reports providing the sub-committees and Board with an overview of progress against the KPIs for the Trust's six Strategic Objectives outlined in the Trust's Corporate Strategy which was approved in June 2020. Work has been undertaken to develop clear priorities for year two of the Corporate Strategy which will be monitored on a quarterly basis.

Ways risk management is embedded

All committees, executive groups and fora within the Trust's governance structure have responsibilities for risk identification and management. The governance structure has clear lines of accountability and reporting through Chairs' Assurance Reports to ensure risks are escalated as appropriate. The Board is alerted to risks identified at committees, via the Chairs' Assurance reports.

The Significant risk report received by the A® is also received by the Trust Board on a monthly basis. Significant risk reports are received by the relevant Board Committee in accordance with the alignment of a responsible Committee for each significant risk. For example, the Quality Committee is responsible for all significant risks aligned to the Trust's strategic objective relating to quality.

The Trust has a Quality Impact Assessment (QIA) process in place to ensure that any new change project is rigorously assessed for the impact on the quality of patient services before a project is authorised to proceed. All proposed cost and quality improvement schemes require a formal Quality Impact Assessment (QIA) to be evaluated by the relevant Division, against seven domains prior to a review by the Medical Director and Chief Nurse. The Quality Committee received reports on QIAs for current programmes and projects in 2020/21.

The QIAs undertaken in 2020 were reviewed in quarter four to consider any risks or new issues identified within the projects of work, which had not been anticipated prior to the schemes going live, and to outline the actions taken to resolve any negative impacts that have been identified. The outcomes of this review were reported to the Quality Committee.

How incident reporting is encouraged

NHS/E recommends that Trusts report safety incidents via the National Reporting and Learning System (NRLS) monthly as a minimum which we continue to do.

The Trust continued its focus to promote incident reporting practices as part of the ongoing development of the safety culture with a range of training and support provided by the corporate Patient Safety Team. The following developments were implemented within 2020/21:

- A review and refresh of the Trust's Incident Reporting Policy which staff can access on the Trust intranet
- Development and implementation of a Trust Datix incident reporting form to support incident reporters
- The launch of new Root Cause Analyse (RCA) training to support staff undertaking serious incident investigations

- Establishment of the management of incident action plans via the Datix Learning and Improvement module along with a process of approval of incident action plans by the Evidence Assurance Group (EAG)
- The approval of 'special measures funding' to facilitate the implementation of patient safety culture SCORE measurements within the Trust
- The establishment of a robust and transparent process of approval of serious incident investigations at executive level
- The Trust held two successful virtual patient safety learning events with the content made available for all staff via the patient safety intranet page
- Improvements in data quality and oversight of patient safety information via the monthly Patient Safety Activity Report and Quarterly Safety Trends Report which are presented at the Quality Committee
- Restructure of the corporate risk and safety structure to create a new Patient Safety Directorate
- Development and implementation of new processes to support incident investigations and learning across the local health system
- The Trust has identified the Deputy Medical Director and Head of Patient Safety and Clinical Effectiveness to act as designated Patient Safety Specialists, as required by NHS England and Improvement (NHSE), to ensure the implementation of the Patient Safety Strategy within the Trust. These colleagues will be fully trained to provide expert patient safety knowledge and leadership to the Trust, ensuring the successful rollout of the patient safety strategy, patient safety partners, new national NHS patient safety incident management system (PSIMS), Patient Safety Incident Response Framework (PSIRF), National Patient Safety Alerts and creating strong local, regional and national patient safety networks

The Internal Audit Serious Incident Review findings reported 'significant assurance with some improvement required' with two low and three improvement recommendations. These recommendations have been incorporated into our Integrated Quality Improvement Plan for 2021/22.

Involvement of Stakeholders in risk

The public, including public Foundation Trust members, Healthwatch representatives and key partners are involved in the risk management process within the Trust through their involvement in the Patient Experience Committee of the Governors' Council (PEC), ward visits and Patient-led Assessments of the Care Environment (PLACE) inspections. The Trust has a valued and constructive working relationship with Healthwatch Norfolk. The Healthwatch CEO and QEH CEO have undertaken joint 'walk-about' across the Trust during the year. Service users are also involved through a number of active service user groups and via their responses to patient satisfaction surveys.

The public is represented by elected Governors' participation in projects and on key groups, such as the Clinical Ethics Committee.

Public Governors attend and secure feedback on the Trust's services from the GP Patient Participation Groups in the area served by the Trust, though COVID-19 has impacted on such activity in-year.

The Governors' Council reviews quality, operational performance, workforce and financial information and risk as part of its statutory duty to hold the Non-Executive Directors to account for the

performance of the Board. The Governors' Council meets six times a year and a new development in 2020/21 has been the introduction of two Governors attending the Board sub Committees (Quality Committee, Finance and Activity Committee and People Committee) as observers.

The views of Governors and public members have been taken into account and have informed the development of the Trust's new Corporate Strategy which was launched in June 2020 as well as the year two milestones for the Corporate Strategy in 2021/22. Other important strategic developments in which the views of Governors were taken into account in 2020/21 included the acquisition of the BMI Sandringham Hospital and the development of a case for a new hospital, which the Trust submitted in September 2020 as part of the NHS's response to the Comprehensive Spending Review.

The Patient Experience Committee, Business Committee and Membership and Communications Committees of the Governors' Council review detailed quality, performance and financial risk respectively, and devise the annual plan for the year in relation to communications and engagement with members and Governors. These Committees report back to the Governors' Council at every meeting.

Work was undertaken in 2020/21 to align the workplans of the Governors Committees to the new Corporate Strategy and to further strengthen relationships with Governors. This involved a review of the Terms of Reference, membership of Committees and new workplans for the year for each Governors' Committee. A Board development session, attended by the Chairman, CEO, Executive Team, Non-Executive Directors and Governors, took place in 2020 to support this work and build relationships further.

Communications with Governors is much-improved, with COVID-19 putting this to the test, including weekly updates to Governors and the introduction of informal briefing sessions in between formal meetings to keep Governors briefed and provide an opportunity to seek views on certain issues and topics.

Workforce strategies and staffing systems

Our aim is to deliver high quality patient care which is supported by a workforce who are engaged, highly skilled and competent.

The QEH People Plan 2020/21 was agreed by the Trust Board in October 2020, responding to both the national and regional plans with the key areas of focus to deliver the QEH Strategic objectives, COVID Phase 3 Recovery and Restoration and the NHS People Plan under four key themes taken from the national People Plan for 2020/21:

1. Looking after our people - with quality health and wellbeing support for everyone
2. Belonging in the NHS - with a particular focus on tackling the discrimination that some staff face
3. New ways of working and delivering care - making effective use of the full range of our peoples' skills and experience
4. Growing for the future - how we recruit and keep our people, and welcome back colleagues who want to return

Delivery of the People Plan is monitored by the People Committee, a non-executive director led committee of the Board which reviews, monitors and reports to the Board on workforce KPIs, human resources management, key risks and medical and non-clinical staffing via the Chair's Assurance Report. The Committee also monitors performance against the aligned Corporate Strategy Key Performance Indicators (KPIs) on a quarterly basis. The People Committee is also responsible for monitoring workforce metrics

which are reported to Board through the Integrated Performance Report. The report also details Trust performance against workforce KPIs and actions being taken to address underperformance.

'Developing Workforce Safeguards' guidance (NHSI 2018), sets out a clear accountability framework for NHS organisations in relation to expectations for the delivery of best practice standards for workforce deployment and planning. A nursing establishment and skill mix review was completed in year and considered by the Board in public. The Board also reviewed the establishment for registered midwives to meet Birthrate+ assessment standards. As part of the workforce metrics the People Committee and Board also receive information in relation to recruitment activity and establishment reviews. The Trust also works with external stakeholders and partners across the Integrated Care System to review workforce plans on a system wide basis.

The People Committee is monitoring actions to ensure existing EU staff are supported to apply for EU settled status by 30 June 2021, following national guidance at all times to minimise workforce impacts.

To support the Trust's response to the COVID-19 pandemic a number of measures were put into place to support staff. The Trust followed national guidance at all times. This included:

- Support for the risk assessment process
- Fast track recruitment processes
- Pausing of mandatory training with the exception of four courses
- Redeployment of staff
- Mental health and wellbeing support
- Health and safety procedures and processes
- Absence management arrangements
- Changes to terms and conditions

It is important that we listen to and respond to feedback from patients and staff and learn when we get things wrong. We have made further progress over the last year, with evidence of improved internal communications and staff engagement and external communications, engagement and relationships, as shown by the 2020 National Staff Survey and Medical Engagement Survey results and external stakeholder perception review. We know, however, we have more work to do, and building further on this work to strengthen staff and external stakeholder communications and engagement in 2021/22 remains a priority as described in our year two Corporate Strategy milestones.

The Trust has in place an independent Freedom to Speak Up Guardian and has now recruited 19 new Freedom to Speak Up Champions from across the organisation. A monthly meeting takes place with Freedom to Speak Up Champions, Chaired by the Deputy CEO as the Executive Lead for Speak Up and attended by the Freedom to Speak Up Guardian, to discuss themes, speak up culture and the workplan to support improvements in this important area. The Freedom to Speak Up Guardian post is supported by a Non-Executive Director. The Freedom to Speak Up Guardian has reported to the People Committee and the Board in 2020/21, and reports quarterly to the National Guardian's Office. Quarterly meetings were introduced in 2020/21, which are attended by the CEO, Deputy CEO, Freedom to Speak Up Guardian, Non-Executive Director Lead, Chief Nurse and Director of HR, to discuss themes and trends arising from Speak Up referrals and to triangulate this data with other important staff experience measures.

An internal audit returned as 'partial assurance' in 2020 for Speak Up, which was as expected. Priorities from this audit include further simplifying the recently-merged Whistleblowing and Freedom to Speak Up Policies, drawing on best practice from across the NHS,

formally recording detriment experienced by staff who Speak Up and further raising awareness among specific staff groups of the range of opportunities to speak up. All Whistleblowing and Freedom to Speak Up cases are reported to the Board. We regularly communicate across the organisation about the importance of Speaking Up and creating a culture where staff feel comfortable raising concerns and confident that they will be listened to when they do so and we promote the Champions and Guardian and their contact details. This work remains a key focus going into 2021/22, with our latest National Staff Survey results indicating we have more to do.

The Care Quality Commission (CQC) and Quality Risk

We are required to register with the Care Quality Commission (CQC) and our current registration status is 'Inadequate' following an inspection in 2019. We remain in Quality Special Measures following the CQC's 2019 inspection.

Overall	Inadequate
Safe	Inadequate
Effective	Inadequate
Caring	Requires Improvement
Responsive	Requires Improvement
Well-led	Inadequate

The latest inspection report details the actions we 'Must' take to comply with our legal obligations and actions we 'Should' take to comply with a minor breach that did not justify regulatory action, to prevent us failing to comply with our legal requirements in the future.

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. However, as a consequence of the findings of the CQC inspections we are subject to the following Notices and Conditions.

QEH has the following conditions on registration:

- Section 31 Urgent and Emergency/Gynaecology (18 March 2019)
- Section 29A Medicine (19 March 2019)
- Section 31 Diagnostic and Screening Procedures (21 May 2019)
- Section 29A Diagnostic and Screening Procedures (23 May 2019)
- Section 29A Maternity (17 May 2018)
- Section 31 Maternity and Midwifery Services (19 July 2018)

It was hoped the Trust would be re-inspected and re-rated as part of a full onsite inspections during 2020. However the impact of the COVID-19 pandemic initially paused all CQC inspections, replacing onsite inspections with an interim Emergency Support Framework. Whilst a full inspection could not be carried out during this time, the Trust underwent an unannounced focused core service inspection in September 2020 of six services, which included a re-rating of these core services.

The Core Services Inspected in September 2020 and re-rated:

- Medicine
- Urgent and Emergency Care
- Surgery
- Maternity Services
- Diagnostic Imaging
- End of Life Care

Whilst six core services have been re-rated following the September CQC inspection, the Trust's overall rating cannot be changed until the CQC carry out a full on-site inspection including well-led. It is anticipated this will be summer 2021, when it is hoped the CQC will restart their inspection regime post COVID-19.

The CQC published its inspection findings in December 2020, and highlighted the significant improvement and progress the Trust has made over the past 12-months. This provides further external validation of the Trust's improvement programme and its commitment to ensure patients consistently receive safe and effective care.

2020 CQC inspection highlights for QEH:

- None of the Trust's core services inspected are now rated 'inadequate' compared to 19 areas in the same services rated 'inadequate' in the Trust's 2019 inspection
- All of the Trust's core services inspected (Medicine, Surgery, Urgent and Emergency Care, Maternity, Diagnostic Imaging and End of Life Care) are now rated as 'Good' for caring - marking a further significant improvement
- The Trust has 3 'Must Do' and 33 'Should Do' actions from its 2020 inspection, the majority of which already feature in the Trust's Integrated Quality Improvement Plan, compared to 206 in total in 2019 and marking an 82% reduction in 'must' and 'should do' actions

In addition to the significant improvement recognised by the CQC, the Trust received formal notification from the CQC on 6 January 2021 that its application to lift 5, Section 31 Conditions for Maternity Services had been approved. This is a significant decision by the CQC and extremely positive for the organisation. This letter sends a message of confidence in the organisation and its leadership regarding these improvements and provides a further level of assurance through external validation.

Following publication of the December 2020 CQC inspection report, the Trust received confirmation from the CQC in January that it was closing 5 of its 29A conditions, which span the Core Services of Medicine and Diagnostic Imaging. Whilst improvement was noted against the remaining 29A conditions, they were not reviewed in full during the September inspection, but will instead form part of the Trust's next on-site inspection in 2021.

In February 2021 the Trust submitted a formal application to the CQC to request the lifting of a further 11 of the remaining 17 Section 31 conditions, spanning the core services of Maternity, Urgent and Emergency Care and Diagnostic Imaging. This application was accompanied by detailed evidence of improvement and compliance.

In April 2019, the General Medical Council (GMC) raised specific concerns about the standards of training in obstetrics and gynaecology and imposed three conditions across the whole Trust. A comprehensive improvement plan aligned to the IQIP was agreed with Health Education England (HEE) and we have had monthly monitoring returns and bi-monthly visits from the GMC and HEE to meet with trainers and trainees to monitor our progress since then. The huge amount of work through 2019/20 resulted

in the conditions being lifted in April 2020 which was a great achievement. Since the lifting of these conditions the Trust has continued to strengthen training opportunities for medical trainees. These improvements have in turn been recognised by the GMC and reflected in their decision in December 2020 to also remove the Trust from enhanced monitoring.

Integrated Quality Improvement Plan

Our Integrated Quality Improvement Programme (IQIP) has two main areas of focus:

- Ensuring we provide safe, effective care for our patients and a positive working environment for our staff
- Ensuring it is delivered in accordance with all regulatory requirement

Our IQIP is managed through key workstreams covering eight strategic priorities and includes the findings and recommendations within both the 2018 and 2019 CQC reports. This high-level plan is supported by Plans on a Page which have been developed with the staff involved and detail the actions required to deliver the required improvements, with key milestones and outcome measures.

We have established a robust governance structure which supports the delivery and monitoring of the IQIP and includes a monthly Oversight and Assurance Group comprising key stakeholders and regulatory bodies. In addition to this, we report compliance and progress against our Section 31 Notices to the CQC on a monthly basis.

To provide assurance of progress and evidence that improvements have been effectively completed, we established an IQIP Evidence Assurance Group chaired by the Chief Nurse and more recently the Medical Director. This group, which includes a patient representative, undertakes a review of action evidence and, where there is sufficient evidence and assurance of improvement, the action is closed and moved to business as usual. The September 2020 CQC inspection has provided further external assurance and validation of the robustness of these arrangements and organisational insight into its progress and improvement priorities for the year ahead.

Following publication of the 2020 CQC Inspection report, the Trust has taken the opportunity to review and refresh its IQIP, incorporating the 25 outstanding actions from the 2019/20 IQIP with the 36 Must and Should Do actions detailed with the latest CQC inspection report. This new 2021/22 IQIP will be launched in March 2021 and aligned to the Trust's Corporate Strategic Objectives, giving us a clear road map for our ongoing improvement journey.

The Trust engages openly and transparently with the CQC and concerns or queries are responded to promptly. Productive and routine 'CQC and Provider Relationship meetings' are held, where quality improvement updates are discussed and progress against the Integrated Quality Improvement Plan shared.

As part of the Trust's work to develop and sustain a culture of continual quality improvement to ensure it consistently delivers safe, high quality care for our patients, it has adopted Quality Service Improvement and Redesign (QSIR) as its preferred Quality Improvement methodology. It is acknowledged that improving and well performing Trusts have introduced a level of improvement capability into their organisations, helping generate a culture of quality improvement.

QSIR is the only nationally accredited QI methodology training programme and is all about service improvement. The first cohort of 35 staff completed this training in September 2019 and a further 30 staff commenced cohort two in March 2020. Four staff also commenced the QSIR Facilitator Training Programme with the QSIR

College, with the aim of delivering QEHI in-house QSIR staff training thereafter. Unfortunately all QSIR training was paused due to the COVID-19 pandemic with the aim of recommencing in quarter one 2021/22. Despite this, quality improvement projects have been promoted across the organisation and supported by 'Room for Improvement' funding and the launch of a new monthly Quality Improvement newsletter to share staff-led improvements across the organisation.

Conflicts of interest

The Foundation Trust has published on its website an up to date register of interests for Board members which has been received at regular intervals throughout the year at public Board meetings.

The Trust's Management of Conflicts of Interest (including Gifts, Hospitality and Sponsorship) Policy was relaunched in 2020/21. The policy sets out the staff required to declare their interests annually and periodically, if their interest changes. Work has been underway to introduce a new approach to collecting declarations of interest through the electronic staff record with interests required by the end of March 2021 so that an updated register can be produced in order to fulfil the following responsibility in the new financial year: The Foundation 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.

Membership of NHS Pension Scheme

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

Equality, Diversity and Inclusion

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 agreed its Workforce Race Equality and Disability Equality Standard Action Plans and delivery is being monitored by the People Committee.

A number of improvements have taken place over the last six months including the development and implementation of staff network groups for BAME and LGBT, improved communication channels, reverse mentoring for the Board, additional health and well-being support for staff and a review of employment practices as part of the Cultural Transformation Programme. The Trust has also made two substantive appointments of Head of Culture and Head of Staff Engagement.

As part of the Trust's People Plan the Trust has made a commitment to become a leader and NHS exemplar for equality, diversity and inclusion and subject to the approval of additional investment a number of key performance indicators have been developed as part of the year two Corporate Strategy. These include ensuring our workforce is representative across all bands, review of training and development opportunities to ensure equality of access, identification of make-up of staff entering the disciplinary process and a review of employment practices including BAME representation on interview panels for band 7 and above.

Sustainable development management plan

The Foundation 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. The Trust is currently developing a robust sustainable development management plan, which is closely linked to the Corporate Strategy.

Review of economy, efficiency and effectiveness of the use of resources

The Board of Directors has specified within the Trust's Standing Financial Instructions and the Scheme of Delegation, appropriate delegated authority levels throughout the Trust. Executive Directors and managers have responsibility for the effective management and deployment of their staff and other resources to optimise the efficiency of each Division.

Each year, the Board agrees budgets and annual plan targets that incorporate significant efficiency improvement requirements. All efficiency, cost improvement and transformation plans are quality impact-assessed by the Medical Director and Chief Nurse, and the delivery of those improvements is monitored at divisional level. Regular meetings take place with Executive Directors and Divisional Leadership Teams to review performance in delivering plans.

The Trust remains in breach of its Provider Licence. The Trust is working to address the issues relating to the undertakings agreed with NHSI accordingly, including quality and operational improvements and improved financial performance. The Trust is expecting the opinion of the external auditor to reflect concerns of the Trust's financial sustainability in respect of the Trust's economic, efficient and effective use of resources.

The Board has considered its Going Concern position at its meeting on 27 May 2021 as part of the 2020/21 annual report approval process. After consideration of risks and uncertainties the Board agreed that the use of the going concern basis is appropriate. There are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Trust to continue as a going concern.

For 2021/22, the Trust has followed the national guidance for financial planning and contracting issued as a result of COVID-19. Whilst this guidance covers up until 30 September 2021 the Directors of the Licensee consider that the Trust will have adequate resources made available to it to deliver commissioner requested services during 2021/22.

The Trust reports on the delivery of its financial plans at regular meetings with the Regulator, NHS England/Improvement.

The Trust has delivered its financial plans and Cost Improvement Plans for 2020/21. It is clear however, that the financial challenge for 2021/22 and beyond will be significant for the Trust, the Integrated Care System (ICS) and the region. Agreement and delivery of the Trust's plans will require considerable levels of Cost Improvement Programme (CIP) delivery, robust controls and transformational ways of working.

The Trust is working strategically with NHS Norfolk and Waveney ICS and other partners to secure the sustainability of the regional and local healthcare system.

The Trust has a range of systems and processes in place to provide assurance that resources are used economically, efficiently and effectively. These include:

- Standing Financial Instructions and Scheme of Delegation
- Financial Management Policy Suite
- Anti-Fraud and Anti-Bribery Policy
- Management of Conflicts of Interest (including Gifts, Hospitality and Sponsorship) Policy
- Executive management of Trust finance and activity plans
- Regulatory reviews of Reference Costs
- Cost Improvement Programme (Quality Impact Assessed)
- Service Line Reporting
- Procurement Strategy
- 'Getting it Right First Time' (GIRFT) reviews

Assurance on financial controls is provided by Internal and External Audit and by independent and peer reviews.

Through the Internal Audit programme for 2020/21 the Trust commissioned a range of audits to provide assurance that resources are used economically, efficiently and effectively:

- Medical Job Planning
- Procurement
- Business Planning
- Core Financial Systems
- Absence and Sickness Management

All internal audit recommendations are being addressed and delivery progress is monitored by the Audit Committee.

Information Governance

Data Security and Information risk is managed through the Information Governance and Cyber Security Compliance Forum which reports to the Assurance and Risk Executive Group, which in turn reports to the Senior Leadership Team and through to Board. The Forum is chaired by an Executive Director nominated to fulfil the role of Senior Information Risk Owner (SIRO) and has assessed compliance with the requirements of the NHS Digital Data Security and Protection Toolkit. Internal Audit also undertook a review of the systems and processes supporting the Trust's submission.

The Trust will comply with the requirements to submit its Data Security and Protection Toolkit for 2020/21 in June 2021, in line with national requirements.

The key data security risk to the Trust continues to be Cyber Security. There are very clear plans in place to mitigate the risks identified through the cyber security review undertaken by Internal Audit, including a bi-weekly Task and Finish Group, attended by the Head of Digital and Cyber Security Manager, Chaired by the Trust's Vice Chair, to very closely monitor and scrutinise progress and ensure the Trust remains on track to implement the recommendations and action plan. Progress is also monitored by the Finance & Activity Committee and reported through to the Audit Committee and Board. The Information Governance and Cyber Security Compliance Forum was reviewed and strengthened in January 2021 to incorporate cyber security compliance within its remit. A Board development session on Cyber and Digital Security took place in September 2020.

During the year, there has been one serious incident that required disclosure to the Information Commissioner's Office (ICO) in relation to personal data. Following an internal investigation and the

mitigating measures already in place, alongside existing policies and procedures, the ICO stated that no further action was required.

The Trust continues to take a range of steps to reduce Information Governance/data security incidents. These actions include regular Trust-wide communications (including real-time communications to share learning), incident reports and data security audits in all departments and wards to identify and mitigate areas of risk.

Data Quality and Governance

The Trust has processes in place to ensure the accuracy of all quality and performance data, recognising that this is an area on which we need to continue to focus in order to ensure the delivery of robust data quality mechanisms and outputs.

Recognising that Data Quality is the responsibility of all Trust employees, a Data Quality Strategy is in place to provide clarity around the process of data capture/validation and sign off (this is reviewed on an annual basis.) Alongside this, the Trust has data quality guidance and support which is available to all employees which is in line with good practice and comparable NHS Trusts. Data quality training is embedded in the Trust's induction process. Monthly Data Quality reports identifying Data Quality issues are consistently reported to the Trust's Information Governance Committee for action and resolution.

To support delivery of robust data quality across the organisation, a number of key actions have been taken;

Internal Audit undertook a Data Quality review of externally submitted data in May 2020. The audit reviewed five externally reported results/indicators. The audit outcome articulated partial assurance with improvement required, with three clear recommendations which were actioned during 2020/21. A subsequent audit was undertaken in March 2021 which focused upon a follow up of the Data Quality actions (from May 2020) and the appropriateness of control design and operative effectiveness of the Trust's Nursing Standards Indicators. The audit articulated significant assurance with some improvement required specifically relating to operational assurance that all Falls and Pressure Ulcers are reported. An action plan is being developed in response

In January 2021, at the height of the COVID-19 pandemic, the Information Services team undertook a proactive validation of all COVID-19 deaths during December 2020. This was instigated as a result of known gaps in operational service provision due to staffing challenges and absence over the Christmas and New Year period. The proactive review identified that a number of deaths in December 2020 had not been accurately reported both internally and externally. In order to ensure that there is internal and external confidence in the data which Information Services provide, an external review of situation reports was agreed and has been commissioned. KPMG have been appointed to undertake the review which will complete in May 2021. The outcomes of the review will be reported through the Trust's governance processes.

The Trust employees a dedicated team of 18 week validators to support validation of our 18 week PTL. Building upon the success of this team and in recognition of the need to ensure that the Trust is ready for the planned Electronic Patient Record implementation, supported by Digital Aspirant funding, additional focused Data Quality resource is being employed to work alongside operational and clinical colleagues to focus on the accuracy and robustness of the Trust's data and to ensure that the reported outputs are robust.

Our response to COVID-19

The Trust developed robust plans to deal with the impact of Coronavirus (COVID-19), including planning for our bed capacity,

people and equipment requirements. We worked closely with local system and national partner agencies (including Public Health England and NHS England/Improvement) to ensure our patients, public and staff remained safe.

We set up an Incident Control Team, led by our Chief Operating Officer, and supported by our Medical Director, Chief Nurse and Divisional Directors, so that there is a single forum for strategic decision-making, and this is supported by the Trust's Incident Control Room. The Trust Board was kept briefed and involved in the Trust's response.

We revised the Trust's governance arrangements in light of COVID to put measures in place that would enable the Trust to maintain effective corporate governance arrangements whilst adhering to national guidance about social distancing and recognising the operational pressures being experienced by the Trust's executive, clinical and operational teams. This included embracing virtual meeting technology to enable key governance meetings to continue throughout the year.

The Trust's risk register was updated to reflect COVID-related risks and daily updates of COVID-related incident reporting occurred.

Extensive internal and external communications were shared to keep staff, Governors, patients, partners and external stakeholders well-informed.

The Trust developed a bespoke staff engagement programme to maximise our support for staff, which included listening to staff, encouraging staff to speak up with feedback and concerns and supporting staff health and wellbeing, drawing on best practice from across the NHS.

The Trust successfully established a COVID vaccination hub on site, providing a vaccination service to our staff and the local population. More recently the Trust opened the Downham Market vaccination centre, providing a service for the local population.

Many positive changes which were implemented at an accelerated pace during COVID - including the digitisation of our hospital, with over 80% of outpatient appointments transferring to phone and video consultations commencing for appointments - will continue beyond COVID. The learning from COVID will help to strengthen our plans, including business continuity plan and pandemic plan, moving forward.

The Trust is in the process of developing a restoration plan to transition the Trust back to business as usual; this plan is in line with 2021/22 operational planning guidance and focuses on supporting staff health and wellbeing, the restoration of elective and cancer care, and transforming urgent and emergency care.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and my Executive Directors, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The process for maintaining and reviewing the effectiveness of the system of internal controls includes:

- Monthly review of the Board Assurance Framework and significant risk registers, as well as regular assurance reports from the chairs of the Board's assurance sub committees (Audit, Finance and Activity, Quality, People, Education, Innovation & Research). Key risks are fully debated and the Board ensures actions are in place where necessary.
- The Board receives a monthly integrated performance report covering all key performance indicators for the Trust against the safe, effective, caring, responsive and well led (finance and people) domains with key metrics also considered at the Board's assurance sub committees (People, Quality and Finance and Activity).
- The Board receives a monthly report on progress against the Trust's Integrated Quality Improvement Plan.
- The Audit Committee provides the Board with an independent assurance on the adequacy of the Board Assurance Framework and associated control environment, the Trust's financial, non-financial and quality performance and oversees the financial reporting process. The Committee has received reports from external and internal audit. Internal audit has reviewed and reported on control, governance and risk management processes based on an audit plan approved by the Committee. The Committee reviews findings from internal and external audit work and where recommendations are made the Committee monitors completion of action plans.

During the year, internal audits were conducted in the following areas:

- Serious Incident Review
- Board Assurance Framework
- Freedom to Speak Up
- Cyber Security Review
- Mandatory and statutory training review
- Absence and Sickness Management
- Care of Deteriorating Patient
- Safeguarding review
- Cancer waiting times

Management action plans and follow up audits have been agreed to address any risks, control weaknesses and ongoing compliance issues identified in Internal Audits. The delivery of these actions is monitored by the Audit Committee. Particular focus is given to the partial assurance opinions.

- The Trust participates in a number of clinical audits including National, regional and local clinical audits. Compliance with national audits was prioritised for 2020/21 as part of the Trust's clinical audit recovery plan. Clinical audit performance reports are presented quarterly to the Audit Committee which oversees progress to embed improved and sustainable clinical audit processes within the Trust.
- The Head of Internal Audit, through the Audit Committee, provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the Internal Audit work programme. The Head of Internal Audit opinion for the period 1 April 2020 to 31 March 2021 is that based on the scope of reviews undertaken and the sample tests completed during the period, Partial assurance with improvement required can be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

- The Quality Committee reviews feedback from external assessments of quality of service including the Care Quality Commission, NHS Improvement, Healthwatch, and reviews commissioned by the Trust from independent external experts as well as ensuring internal quality metrics and improvement plans are scrutinised and monitored closely.

As detailed above, the Board and its committees have a key role in maintaining and reviewing the effectiveness of the systems of internal control. The terms of reference for all committees reporting to the Board require them to monitor risk within their scope and to review the relevant sections of the Board Assurance Framework to ensure that the Trust's principal risks are properly articulated and that there are adequate sources of assurance on effective controls.

I also gain assurance from the Senior Leadership Team and Executive Directors within the organisation, who have responsibility for the development and maintenance of the system of internal control.

The Board has received regular reports on risk, performance and clinical/quality governance.

The Trust seeks to learn and improve from the results and recommendations made in internal audit and external audit reports, clinical audits, the Information Governance Toolkit assessment, Serious Incident reporting and external benchmarking.

I take additional assurance from programmed, ad-hoc and commissioned external reviews, inspections and accreditation visits. These external reviews provide me with an independent view and recommendations. In 2020/21 independent reviews have included:

- The Care Quality Commission's unannounced core service inspection September 2020
- Cultural review of maternity and obstetrics and gynaecology service - QEH commissioned independent review
- Maternity Review visit - National Maternity Improvement Advisor, NHS England & NHS Improvement (NHSE/I)
- Cohort mortality review for the NHS Foundation Trust - Better Tomorrow: Learning from Deaths, Learning for Lives - QEH commissioned review by NHS England & NHS Improvement (NHSE/I)
- Quality Assurance visit - Regional Head of Screening Quality Assurance
- CCG Quality Assurance Visit - West Norfolk Clinical Commissioning Group (CCG)
- Multi-Agency Infection Prevention and Control Inspection - West Norfolk Clinical Commissioning Group (CCG)
- HEE/GMC visit
- Catering Inspection - Environmental Health
- Clinical Review of Cervical Screening - Public Health England
- Culture Review of Radiology - QEH commissioned independent review
- Financial Reporting Arrangements - QEH commissioned audit

The Trust has responded to concerns raised as a result of these reviews and progress to deliver resulting action plans is monitored by the appropriate Board sub-committees.

During 2020/21 the Board, its sub-committees and the Executive have reflected on the significant internal control issues facing the Trust as identified through our internal governance mechanisms. Cyber Security has been identified as a significant internal control issue. A clear action plan is in place to ensure improved compliance by June 2021 and mitigate risks, operationally delivered through a dedicated task and finish group which is chaired by the Trust's Vice Chair (and NED Digital Lead), with progress monitored by the

Finance & Activity Committee and reported through to the Audit Committee and Board.

Conclusion

My Annual Governance Review and my broader observations lead me to conclude that while much progress has been made in many areas in 2020/21, the Trust is aware of its internal control issues and has responded to all the final reports issued during the year and developed action plans with clear ownership of the issues.

This review has identified cyber security is a significant internal control issue. I am satisfied that an appropriate action plan is in place with clear oversight and assurance processes to ensure timely delivery of actions to mitigate associated risks.

I will continue to work with my team in 2021/22 to further strengthen the Trust's internal controls and sources of assurance for the Board, in order to ensure that the Trust can deliver its strategic objectives.



Caroline Shaw CBE

Chief Executive

14 June 2021





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Financial Report 2020/21

The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust
Annual Accounts for the year ended 31 March 2021

These accounts for the year ended 31 March 2021, have been prepared by the Board of Directors of The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust in accordance with paragraphs 24 and 25 of schedule 7 to the National Health Service Act 2006.



Caroline Shaw CBE

Chief Executive

14 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF QUEEN ELIZABETH HOSPITAL KING'S LYNN NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Queen Elizabeth Hospital King's Lynn NHS Foundation Trust ("the Trust") for the year ended 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 at 31 March 2021 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and 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 that 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 that 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 conditions 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 in this auditor's report is not a guarantee that 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 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 control totals delegated to the Trust by NHS Improvement
- Reading Board and Audit 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, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that additional funding was claimed inappropriately through the extra resources made available as a result of Covid-19 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 recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals and provisions.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of Trust-wide fraud risk management controls.

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:
 - Unexpected postings to revenue accounts.
 - Inappropriate postings of accruals and provisions to improve financial performance at year end; and
 - Unexpected postings to cash accounts.
- Assessing significant estimates for bias.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.
- Assessing income recognised in period prior to and following March 2021 to determine that income had been recognised in the correct accounting period.
- Assessing year end accruals and inspecting evidence of actual amounts paid after year end in order to determine whether the accrual had been accurately recorded.

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. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

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 non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Directors are 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 NHS Foundation Trust Annual Reporting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2020/21.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 113, the Accounting Officer is 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.

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 is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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.

Significant weakness – Improving economy, effectiveness and efficiency

The Trust remains in special measures having been placed into them in 2019 following an 'inadequate' CQC assessment. The latest CQC assessments have been graded as 'inadequate' still. Whilst improvements have been made, the Trust's special measures status has not been lifted as a result of areas requiring further improvements.

Recommendations:

The following recommendations are raised in respect of the significant weakness above:

- continue to embed the required actions across the Trust to address the findings from the CQC, and continue to work with the required regulators to assist in the exit from the special measures programme.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and the use of information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if:

- any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006.
- any matters have been reported in the public interest under paragraph 3 of Schedule 10 of the National Health Service Act 2006 in the course of, or at the end of the audit.

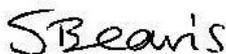
We have nothing to report in these respects.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors 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 Queen Elizabeth Hospital King's Lynn NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.



Stephanie Beavis
for and on behalf of KPMG LLP
Chartered Accountants
Botanic House
100, Hills Road
Cambridge
CB2 1AR

16 June 2021

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Statement of Comprehensive Income and Expenditure

		2020/21	2019/20
	Note	£000	£000
Operating income from patient care activities	3	223,788	194,616
Other operating income	3.4	45,232	44,759
Operating expenses	4.1	(274,499)	(237,142)
Operating (deficit)/surplus from continuing operations		(5,479)	2,233
Finance income	8	2	70
Finance expenses	9	(9)	(2,316)
PDC dividends payable		(1,148)	-
Net finance costs		(1,155)	(2,246)
Other gains / (losses)	10	(17)	(12)
Surplus / (deficit) for the year from continuing operations		(6,651)	(25)
Deficit for the year		(6,651)	(25)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	12.1	-	-
Revaluations	23	4,747	850
Total comprehensive (expense) / income for the period		(1,904)	825
Adjusted financial performance (control total basis):			
Deficit for the period		(6,651)	(25)
Remove I&E impact of capital grants and donations		(1,006)	197
Remove 2018/19 post audit PSF reallocation (2019/20 only)		-	(122)
Remove net impact of inventories received from DHSC group bodies for COVID response		(179)	-
Remove I+E impact of impairment		7,886	-
Adjusted financial performance surplus / (deficit)		50	50

All income and expenditure is derived from continuing operations.

The notes on pages 140 to 168 form part of these accounts.

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Intangible assets	11	504	425
Property, plant and equipment	12	99,584	95,232
Receivables	14	330	487
		<hr/>	<hr/>
Total non-current assets		100,418	96,144
Current assets			
Inventories	13	2,594	2,156
Receivables	14	13,253	22,023
Cash and cash equivalents	15	26,914	14,216
		<hr/>	<hr/>
Total current assets		42,761	38,395
Current liabilities			
Trade and other payables	16	(37,104)	(32,248)
Borrowings	18	(214)	(134,969)
Provisions	19	(101)	(262)
Other liabilities	17	(1,652)	(1,516)
		<hr/>	<hr/>
Total current liabilities		(39,071)	(168,995)
Total assets less current liabilities		104,108	(34,456)
Non-current liabilities			
Borrowings	18	-	(213)
Provisions	19	(189)	(231)
Other liabilities	17	(518)	(523)
		<hr/>	<hr/>
Total non-current liabilities		(707)	(967)
Total assets employed		103,401	(35,423)
Financed by			
Public dividend capital		198,202	57,474
Revaluation reserve	23	9,325	12,464
Income and expenditure reserve		(104,126)	(105,361)
		<hr/>	<hr/>
Total taxpayers' equity		103,401	(35,423)

The financial statements on pages 136 to 168 were approved by the Board on 14 June 2021 and signed on its behalf by:



Caroline Shaw CBE
Chief Executive

14 June 2021

Statement of Changes in Taxpayers Equity

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	57,474	12,464	(105,361)	(35,423)
Revaluations		4,747		4,747
Transfers		(7,886)	7,886	-
Surplus/(deficit) for the year	-	-	(6,651)	(6,651)
Public dividend capital received	140,728	-	-	140,728
Taxpayers' and others' equity at 31 March 2021	198,202	9,325	(104,126)	103,401

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2019 - brought forward	52,690	11,614	(105,336)	(41,032)
Surplus/(deficit) for the year	-	-	(25)	(25)
Revaluations	-	850	-	850
Public dividend capital received	4,784	-	-	4,784
Taxpayers' and others' equity at 31 March 2020	57,474	12,464	(105,361)	(35,423)

The notes on pages 142 to 170 form part of these accounts.

The accompanying notes form part of these financial statements

Information on reserves

Public Dividend Capital

Public dividend capital (PDC) is a type of public sector equity finance based upon 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 (DHSC). A charge, reflecting the cost of capital utilised by the Trust, is payable to DHSC 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 assets valuations are charged to the revaluation reserve to the extent of the 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)		(5,479)	2,233
Non-cash income and expense:			
Depreciation and amortisation	4.1	6,811	6,443
Net impairments		7,886	-
Income recognised in respect of capital donations	3.4	(1,377)	(142)
(Increase) / decrease in receivables and other assets		8,927	(7,531)
(Increase) / decrease in inventories		(438)	(54)
Increase / (decrease) in payables and other liabilities		3,728	1,093
Increase / (decrease) in provisions		(203)	132
		<u>19,855</u>	<u>2,174</u>
Net cash flows from / (used in) operating activities			
Cash flows from investing activities			
Interest received		2	70
Purchase of intangible assets		(201)	(28)
Purchase of PPE		(12,480)	(9,817)
Sales of PPE and investment property		65	2
Receipt of cash donations to purchase assets		854	-
		<u>(11,760)</u>	<u>(9,773)</u>
Net cash flows from / (used in) investing activities			
Cash flows from financing activities			
Public dividend capital received		140,728	4,784
Movement on loans from DHSC		(134,732)	14,901
Interest on loans		(245)	(2,271)
Other interest		-	(1)
PDC dividend (paid) / refunded		(1,148)	-
		<u>4,603</u>	<u>17,413</u>
Net cash flows from / (used in) financing activities			
Increase / (decrease) in cash and cash equivalents			
		<u>12,698</u>	<u>9,814</u>
Cash and cash equivalents at 1 April - brought forward			
		<u>14,216</u>	<u>4,402</u>
Cash and cash equivalents at 31 March			
	15.1	<u>26,914</u>	<u>14,216</u>

The accompanying notes on pages 140 to 168 form part of these financial statements.

Notes to the accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the DHSC 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 DHSC. 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 account.

Note 1.1.1 Accounting convention

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

Note 1.2 Going concern

The Board is required under IAS 1 Presentation of Financial Statements to assess as part of the accounts preparation process the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management intends, or has no alternative, but to apply to the Secretary of State for dissolution without transfer of its services to another entity.

These accounts have been prepared on a going concern basis and the factors taken into consideration in making this assessment are set out below.

The Trust reported a surplus of £0.05m in year, with a similar surplus in the previous year.

On 1 April 2021, NHSE/I issued a letter to NHS provider and commissioner organisations setting out updated guidance on assessing going concern. The letter states that:

'The Public Audit Forum issues guidance to auditors on how auditing standards should be applied in the public sector. Its publication 'Practice Note 10' was revised in late 2020. This updated guidance to auditors, approved by the Financial Reporting Council, explains that where the applicable financial reporting framework provides that the anticipated continued provision of services is a sufficient basis for going concern, then this should determine the extent of the auditor's procedures on going concern. This is the case in the NHS, with the DHSC Group Accounting Manual (GAM) and NHS foundation trust annual reporting manual (FT ARM) both based on the HM Treasury Financial Reporting Manual (FRM) where this definition applies.

This means that, for the 2020/21 year end onwards, while management in NHS bodies will still need to document their basis for adopting the going concern basis, this assessment should solely be based on the anticipated future provision of services in the public sector. This means that it is highly unlikely that NHS organisations would have any material uncertainties over going concern to disclose.'

The letter ends with a request to consider this updated guidance and note that disclosures of material uncertainty on going concern are unlikely to be required from this forthcoming year end.

Against this backdrop, the Board of Directors has carefully considered the principle of going concern and the Directors have a reasonable expectation that the Trust will have access to adequate resources to continue on operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing the accounts for the going concern assessment period.

Note 1.3 Critical judgements in applying accounting policies

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from those estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Trust's management has made the following critical judgments in applying the Trust's accounting policies:

Valuation of Land and Buildings

The most significant estimate within the accounts is the value of land and building. The last full site valuation for 2016/17 was performed by professional Chartered Surveyors Boshier and Company on the basis of market value as at 1 April 2019.

In compliance with its accounting policies, the Trust has had its land and buildings revalued under its five year schedule as at 1 April 2020. As part of the revaluation, a review was also undertaken of asset lives. The impact of the revaluation will be reflected in the draft financial statements prior to audit.

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. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 12.

The hospital roof is affected by issues with failing roof planks which will require substantial expenditure over the next 3-5 years in order to make repairs, support the roof and provide protection for patients and staff. Survey work is ongoing to understand the full extent of future costs required.

The Trust has commissioned a desktop valuation of the estate this year from its new valuers Montagu Evans. This valuation considered the life of the hospital estate and the Trusts estate strategy. It is expected that the hospital will continue to operate in its current form for the next 9 years with remedial work being undertaken as necessary. The hospital has therefore been valued under the depreciated replacement cost basis using 9 years as the remaining life. This has resulted in an impairment of £6.6m to the carrying value of the buildings which has been taken to I&E.

New valuers engaged

The Trust's previous valuer, Mr David Boshier of Boshier and Company, retired during 2020/21 and a new firm of property consultants, Montagu Evans LLP, has been instructed to carry out an indexation of the valuations previously carried out by Boshier and Company. Montagu Evans LLP have extensive knowledge of the physical estate and market factors, are independent to the Trust and certified by the Royal Institute of Chartered Surveyors.

Sandringham Hospital

The Sandringham Hospital was purchased from BMI Healthcare PLC for £1.3m during 2020/21 and has been valued in the FY20/21 accounts on a Depreciated Replacement Cost (DRC) basis of £6.1m. The Trust obtained an independent valuation from Savills UK Limited (Chartered Surveyors) prior to the completion of the transaction, which supports the £6.1m DRC valuation.

Untaken annual leave

Under Trust policy with respect to annual leave, staff are allowed to carry over a maximum of five holiday days into the following financial year. The Trust has a financial liability for any annual leave earned by staff but not taken as at 31 March 2021 in respect of those staff who are on maternity leave, long-term sickness leave or suspended. The estimated costs of untaken annual leave as at 31 March 2021 is £3,054,000 (31 March 2020 £322,770). The 2020/21 liability has been fully funded centrally.

Provisions

Assumptions around the timing of cash flows relating to provisions are based on information from the NHS Pensions Agency and internal opinion in the Trust.

Non-Consolidation of Charitable Funds

IFRS10 requires production of consolidated accounts where there is a parent/subsidiary relationship. IFRS10 defines a subsidiary as "an entity...that is controlled by another entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities." The Trust is the Corporate Trustee of the Charitable Fund and meets the definition of control.

Materiality is an overriding consideration in preparation of the accounts. The International Accounting Standards Board (IASB) states that "Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements".

The net assets of the Charitable Fund amount to about 3.1% of the Trust net assets. Charitable fund income is about 0.3% of Trust income. The Directors therefore consider that the consolidation of the accounts of the Charitable Fund with those of the Trust is not justified on the grounds of materiality.

Note 1.4.1 Key sources of estimation and uncertainty

The preparation of the financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of income and expenses and of assets and liabilities. The estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under all the circumstances. Actual results may vary from these estimates. The estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and judgements that have had a significant effect on the amounts recognised in the financial statements are outlined below.

Note 1.4.2 Income estimates

Following national guidance, no income estimates for incomplete patient spells have been made at 31 March 2021. Refer to note 1.4.6 for more detail on NHS block contract income in 2020/21.

Note 1.4.3 Expense accruals

In estimating expenses that have not yet been charged for, management have made a realistic assessment based on costs actually incurred in the year to date, with a view to ensuring that no material items have been omitted.

Note 1.4.4 Provisions

In accordance with the stated policy on provisions, management have used best estimates of the expenditure required to settle the obligations concerned, applying HM Treasury's discount rate as stated, as appropriate. Management have also taken into account all available information for disputes and possible outcomes.

Note 1.4.5 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS15. 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.

Note 1.4.6 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 health care 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 an Integrated Care System/ 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 health care 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.

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.

Note 1.5 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

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

Note 1.6 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 1.7 Expenditure on employee benefits

Note 1.7.1 Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Note 1.7.2 Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as 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 they become due.

Employers' pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

Note 1.8 Expenditure on other goods and services

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

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.

Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO₂ emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO₂ it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO₂ emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO₂ emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Note 1.9 Property, plant and equipment

Note 1.9.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably
- the item has a cost of at least £5,000

or

- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control;

or

- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Note 1.9.2 Measurement

Valuation

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

All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of valuation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed every five years and reviewed with sufficient regularity in between to ensure carrying amounts are not materially different from those that would be determined at the end of the reporting period.

Fair values are determined as follows:

Land and non-specialised buildings - modern equivalent basis

Specialised buildings - depreciated replacement cost

The Trust conducted a valuation of land and buildings as at 1 April 2019. For 1 April 2020, an indexation was carried out. The indexation was performed by Montagu Evans LLP. Note a change to the Chartered Surveyors advising the Trust in Financial Year 2020/21 (Note 1.3)

Properties in the course of construction for service administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Note 1.9.3 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.

Note 1.9.4 Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction contract are not depreciated until the asset is brought into use.

Note 1.9.5 Revaluation gains and losses

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

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

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

Note 1.9.6 Transferring revaluation surplus to retained earnings

The depreciable amount of a revalued asset is based upon its revalued amount, not its cost. The depreciation charge for each period is recognised as an expense in the profit and loss.

However, the revaluation surplus may be transferred directly to retained earnings as the surplus is realised. Realisation of the surplus may occur through the use (and depreciation) of the asset or upon its disposal.

Where the Trust disposes of the asset, the whole of the revaluation reserve is transferred. Other than this no transfer of any part of the revaluation reserve will take place.

Note 1.9.7 Impairments

In accordance with the DHSC 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 income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

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

Montagu Evans were appointed as new valuers to the Trust in year (refer also to Note 1.3). In line with the Trust's quinquennial valuation cycle, Montagu Evans conducted an indexation exercise based on the previous valuers' assessments of the value of the hospital estate. This indexation resulted in an impairment of £1.3m being recognised in the accounts at 31 March 2021.

The next full valuation of the land and buildings is to be carried out during FY21/22, in line with Trust policy.

In light of this and in the context of significant anticipated and forecast capital spend in connection with decant facilities and fail safe measures to be implemented in connection with the hospital's Raac (Reinforced autoclaved aerated concrete) planking maintenance work, Montagu Evans were also instructed to carry out an indicative benchmarking valuation. This was a separate, and additional, piece of work commissioned for the benefit of the Trust's directors in order to aid and inform their thinking and decision making with respect to the evolving challenge posed to the Trust by the existence of Raac planking in the hospital roof.

This benchmarking exercise re-set the useful economic lives assumption to be applied to those parts of the building affected by Raac planking to nine remaining years (i.e. a useful economic life to 2030), which is broadly in line with the assumptions used by the Trust's structural engineers engaged to deliver the plank testing programme.

The valuation result of this piece of work was £6.6m lower than the indexation valuation. After detailed discussions with both the Trust's external auditors, KPMG, and Montagu Evans, Trust Management carefully considered all the evidence available and decided to further impair the value of the estate in the accounts for FY20/21 by £6.6m. The total impairment charge to the revaluation reserve is therefore £7.9m

Note 1.9.8 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, for example:
 - » management are committed to a plan to sell the asset
 - » an active programme has begun to find a buyer and complete the sale
 - » the asset is being actively marketed at a reasonable price
 - » the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - » the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Note 1.9.9 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor 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.

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 1.9.10 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	9	80
Plant & machinery	5	15
Transport equipment	7	7
Information technology	7	7
Furniture & fittings	5	15

Note 1.10 Intangible assets**Note 1.10.1 Recognition**

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

Note 1.10.2 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.

Note 1.10.3 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 under IFRS13, if it does not meet the requirements of IAS40 or IFRS5.

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

Note 1.10.4 Amortisation

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

Note 1.10.5 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	7	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 weighted average cost method.

Note 1.12 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 1.13 Financial instruments and financial liabilities

Note 1.13.1 Recognition

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

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

Note 1.13.2 De-recognition

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

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

Note 1.13.3 Classification and measurement

Financial assets are categorised as either available for sale, at fair value through income and expenditure, loans and receivables or held to maturity.

Note 1.13.4 Financial assets and financial liabilities at 'fair value through income and expenditure'

Financial assets and financial liabilities at 'fair value through income and expenditure' are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges.

Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

Note 1.13.5 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS debtors, accrued income and 'other debtors'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Note 1.13.6 Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Note 1.13.7 Determination of fair value

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health and Social Care, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

Note 1.13.8 Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

Note 1.14 Leases

The Trust as Lessee

Note 1.14.1 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. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Note 1.14.2 Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Note 1.14.3 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.

Note 1.15 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 2021:

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

Note 1.15.1 Clinical negligence costs

The NHS Resolution (NHSR), formerly NHS Litigation Authority, operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSR, which, in return, settles all clinical negligence claims. Although the NHSR is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSR on behalf of the Trust is disclosed in note 19.2 but it is not recognised in the Trust's accounts.

Note 1.15.2 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHSR 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 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital used 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 assets (including lottery 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. In accordance with the requirements laid down by the DHSC (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Note 1.17 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 1.18 Corporation Tax

The Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly in relation to specified activities of a Foundation Trust (s519 (3) to (8) ICTA 1988). None of the Trust's activities in the period are subject to corporation tax liability.

Note 1.19 Foreign Exchange

The actual, functional and presentational currencies of the Trust are sterling.

Note 1.20 Third party assets

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

Note 1.21 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.22 Early adoption of standards, amendments and interpretations

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

IFRS 14

IFRS14 Regulatory Deferral Accounts is not yet EU endorsed. It applies to first time adopters of IFRS after 1 January 2016, therefore it is not applicable to DHSC group bodies.

IFRS 17

The application of IFRS17 Insurance Contracts is required for accounting periods beginning on or after 1 January 2021, but it is not yet adopted by the HM Treasury FReM. The early adoption of this standard is not therefore permitted.

Note 1.23 Accounting standards that have been issued but have not yet been 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 re-measurement 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 a rate 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

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 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.

Note 2 Segmental Reporting

Under the definitions of operating segments contained within International Financial Reporting Standard 8, the Trust has a single operating segment where the revenues are derived from the provision of healthcare services.

The products and services provided to external customers are identified in notes 3.1 and 3.2 below under the headings "Income from activities patient care" and "Other operating income".

All revenues from external customers are derived from within the UK, and all non-current assets are located in the UK. Revenues from transactions with entities under the control of the UK Government amount to £223.7m (2019/20 £193.6m), and are reported within the single healthcare segment.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.5

Note 3.1 Income from patient care activities (by nature)

	2020/21 £000	2019/20 £000
Acute services		
Block contract / system envelope income*	203,531	179,282
High cost drugs income from commissioners (excluding pass-through costs)	8,012	7,706
Other NHS clinical income	905	-
All services		
Private patient income	45	125
Additional pension contribution central funding**	6,318	5,772
Other clinical income	4,977	1,731
Total income from activities	223,788	194,616

*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	24,961	22,993
Clinical commissioning groups	198,725	170,592
Department of Health and Social Care	-	9
Other NHS providers	10	122
NHS other	-	31
Non-NHS: private patients	43	125
Non-NHS: overseas patients (chargeable to patient)	49	53
Injury cost recovery scheme	-	424
Non-NHS: other	-	267
Total income from activities	<u>223,788</u>	<u>194,616</u>
Of which:		
Related to continuing operations	223,788	194,616

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

	2020/21	2019/20
	£000	£000
Income recognised this year	49	53
Cash payments received in-year	37	127
Amounts added to provision for impairment of receivables	33	47
Amounts written off in-year	39	89

Note 3.4 Other operating income

	2020/21			2019/20		
	Contract	Non-	Total	Contract	Non-	Total
	income	contract	income	income	contract	income
	£000	income	£000	£000	income	£000
Research and development	480	-	480	544	-	544
Education and training	6,930	530	7,460	6,622	468	7,090
Non-patient care services to other bodies	3,099		3,099	4,937		4,937
Provider sustainability fund (2019/20 only)			-	5,084		5,084
Financial recovery fund (2019/20 only)			-	17,083		17,083
Marginal rate emergency tariff funding (2019/20 only)			-	3,533		3,533
Reimbursement and top up funding	24,140		24,140			-
Receipt of capital grants and donations		1,377	1,377		142	142
Charitable and other contributions to expenditure		3,806	3,806		-	-
Other income	4,870	-	4,870	6,333	13	6,346
Total other operating income	39,519	5,713	45,232	44,136	623	44,759
Of which:						
Related to continuing operations			45,232			44,759

****Analysis of other operating income: Other**

	2020/21	2019/20
	£000	£000
Car Parking income	149	1,753
Catering	383	653
Pharmacy sales	54	71
Property rental (not lease income)	205	505
Staff accommodation rental	13	12
Estates recharges (external)	33	289
IT recharges (external)	-	2
Staff contribution to employee benefit schemes	-	17
Clinical tests	2,402	2,586
Clinical excellence awards	77	215
Other income generation schemes	161	230
Other income not already covered	1,393*	-
	4,870	6,333

*£1,393k Other income consists primarily of Special Measures funding (£839k).

Note 4 Operating Expenses**Note 4.1 Operating expenses**

	2020/21	2019/20
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	8,407	6,028
Purchase of healthcare from non-NHS and non-DHSC bodies	1,502	2,501
Staff and executive directors costs	185,618	164,861
Remuneration of non-executive directors	144	135
Supplies and services – clinical (excluding drugs costs)	20,667	15,071
Supplies and services – general	2,783	2,996
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	18,333	18,873
Consultancy costs	56	678
Establishment	2,089	2,617
Premises	7,488	6,138
Transport (including patient travel)	747	932
Depreciation on property, plant and equipment	6,690	6,321
Amortisation on intangible assets	121	122
Movement in credit loss allowance: contract receivables / contract assets	166	(404)
Increase/(decrease) in other provisions	(81)	160
Change in provisions discount rate(s)	(26)	12
Audit fees payable to the external auditor		
audit services- statutory audit	68	61
other auditor remuneration (external auditor only)	6	8
Internal audit costs	98	127
Clinical negligence	5,160	5,212
Legal fees	119	109
Insurance	149	94
Education and training	925	1,268
Rentals under operating leases	470	496
Car parking & security	82	37
Hospitality	44	22
Losses, ex gratia & special payments	319	289
Loss on impairment of tangible fixed assets	7,886	-
Other	4,469	2,378
Total	274,499	237,142
Of which:		
Related to continuing operations	274,499	237,142

In addition, the external auditor audits the Queen Elizabeth Hospital Charitable Fund and the fee is £6,500 (2019/20 £5,820), the charity is responsible for the payment of this fee.

Note 4.2 Other auditor remuneration

	2020/21	2019/20
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	6	8
Total	6	8

Note 4.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1 million (2019/20: £1 million).

Note 5 Employee benefits

	2020/21	2019/20
	Total	Total
	£000	£000
Salaries and wages	131,317	118,535
Social security costs	13,041	11,441
Apprenticeship levy	530	592
Employer's contributions to NHS pensions	20,864	18,993
Temporary staff (including agency)	20,480	15,690
Total gross staff costs	186,232	165,251
Recoveries in respect of seconded staff	-	-
Total staff costs	186,232	165,251
Of which		
Costs capitalised as part of assets	614	390

Note 6 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 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 at 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 at 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

Note 7 Operating Leases

This note discloses costs and commitments incurred in operating lease arrangements where the Queen Elizabeth Hospital is the lessee

	2020/21 £000	2019/20 £000
Operating lease expense		
Minimum lease payments	470	496
Total	470	496
	31 March 2021 £000	31 March 2020 £000
Future minimum lease payments due:		
- not later than one year;	376	357
- later than one year and not later than five years;	387	571
Total	763	928
Future minimum sublease payments to be received	-	-

Note 8 Finance Income

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

	2020/21 £000	2019/20 £000
Interest on bank accounts	2	70
Total finance income	2	70

Note 9 Finance Expenditure

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

	2020/21 £000	2019/20 £000
Interest expense:		
Loans from the Department of Health and Social Care	9	2,316
Total interest expense	9	2,316
Unwinding of discount on provisions	-	(1)
Other finance costs	-	1
Total finance costs	9	2,316

The Trust paid no amounts out for late payments of commercial debt (2019/20 nil)

Note 10 Other gains and (losses)

	2020/21	2019/20
	£000	£000
Losses on disposal of assets	(17)	(12)
Total gains / (losses) on disposal of assets	(17)	(12)
Total other gains / (losses)	(17)	(12)

Note 11 Intangible Assets**Note 11.1 Intangible assets – 2020/21**

	Software licences £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2020 – brought forward	995	-	995
Additions	6	194	200
Valuation / gross cost at 31 March 2021	1,001	194	1,195
Amortisation at 1 April 2020 – brought forward	570	-	570
Provided during the year	121	-	121
Amortisation at 31 March 2021	691	-	691
Net book value at 31 March 2021	310	194	504
Net book value at 1 April 2020	425	-	425

Note 11.2 Intangible assets – 2019/20

	Software licences £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2019 – as previously stated	951	-	951
Additions	44	-	44
Valuation / gross cost at 31 March 2020	995	-	995
Amortisation at 1 April 2019 – as previously stated	448	-	448
Provided during the year	122	-	122
Amortisation at 31 March 2020	570	-	570
Net book value at 31 March 2020	425	-	425
Net book value at 1 April 2019	503	-	503

Note 12 Property, plant and equipment

Note 12.1 Property, plant and equipment – 2020/21

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2020 – brought forward	4,610	77,846	15,096	32,063	158	20,193	679	150,645
Additions	-	-	13,740	523	-	-	-	14,263
Impairments	-	(3,139)	-	-	-	-	-	(3,139)
Reclassifications	-	5,887	(10,252)	3,210	-	1,151	4	0
Disposals / derecognition	-	-	-	(751)	-	(117)	-	(868)
Valuation/gross cost at 31 March 2021	4,610	80,594	18,584	35,045	158	21,227	683	160,901
Accumulated depreciation at 1 April 2020 – brought forward	-	18,095	-	21,459	153	15,149	557	55,413
Provided during the year	-	3,036	-	2,225	2	1,411	16	6,690
Disposals / derecognition	-	-	-	(669)	-	(117)	-	(786)
Accumulated depreciation at 31 March 2021	-	21,131	-	23,015	155	16,443	573	61,317
Net book value at 31 March 2021	4,610	59,463	18,584	12,030	3	4,784	110	99,584
Net book value at 1 April 2020	4,610	59,751	15,096	10,604	5	5,044	122	95,232

Note 12.2 Property, plant and equipment – 2019/20

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2019 – as previously stated	4,610	74,631	2,897	31,022	177	18,590	679	132,606
Additions	-	2,286	12,307	1,225	-	1,574	-	17,392
Revaluations	-	850	-	-	-	-	-	850
Reclassifications	-	79	(108)	-	-	29	-	-
Disposals / derecognition	-	-	-	(184)	(19)	-	-	(203)
Valuation/gross cost at 31 March 2020	4,610	77,846	15,096	32,063	158	20,193	679	150,645
Accumulated depreciation at 1 April 2019 – as previously stated	-	15,230	-	19,640	168	13,700	543	49,281
Provided during the year	-	2,865	-	1,989	4	1,449	14	6,321
Disposals / derecognition	-	-	-	(170)	(19)	-	-	(189)
Accumulated depreciation at 31 March 2020	-	18,095	-	21,459	153	15,149	557	55,413
Net book value at 31 March 2020	4,610	59,751	15,096	10,604	5	5,044	122	95,232
Net book value at 1 April 2019	4,610	59,401	2,897	11,382	9	4,890	136	83,325

Note 12.3 Property, plant and equipment financing – 2020/21

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2021								
Owned – purchased	4,610	55,699	17,924	11,158	3	4,766	100	94,260
Owned – donated/granted	-	3,764	660	872	-	18	10	5,324
NBV total at 31 March 2021	4,610	59,463	18,584	12,030	3	4,784	110	99,584

Note 12.4 Property, plant and equipment financing – 2019/20

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2020								
Owned – purchased	4,610	55,768	15,096	10,104	5	5,009	109	90,701
Owned – donated/granted	-	3,983	-	500	-	35	13	4,531
NBV total at 31 March 2020	4,610	59,751	15,096	10,604	5	5,044	122	95,232

Note 12.5 Buildings excluding dwellings

The hospital roof is affected by issues with failing roof planks which will require substantial expenditure over the next 3-5 years in order to make repairs, support the roof and provide protection for patients and staff. Survey work is ongoing to understand the full extent of future costs required.

The Trust has commissioned a desktop valuation of the estate this year from its new valuers Montague Evans. This valuation considered the life of the hospital estate and the Trusts estate strategy. It is expected that the hospital will continue to operate in its current form for the next 9 years with remedial work being undertaken as necessary. The hospital has therefore been valued under the depreciated replacement cost basis using 9 years as the remaining life. This has resulted in an impairment of £6.6m to the carrying value of the buildings which has been taken to I&E.

Note 12.6 Donations of property, plant and equipment

	2020/21
	£000
Land and Buildings under construction	658
Medical equipment	523
Software	196
	<u>1,377</u>

Note 13 Inventories

	31 March	31 March
	2021	2020
	£000	£000
Drugs	946	870
Consumables	1,632	1,273
Energy	16	13
Total inventories	<u>2,594</u>	<u>2,156</u>
of which:		
Held at fair value less costs to sell	-	-

Note 14 Trade Receivables**Note 14.1 Receivables**

	31 March	31 March
	2021	2020
	£000	£000
Current		
Contract receivables	9,598	19,402
Allowance for impaired contract receivables / assets	(765)	(653)
Prepayments (non-PFI)	2,736	2,110
VAT receivable	847	613
Other receivables	837	551
Total current receivables	<u>13,253</u>	<u>22,023</u>

Non-current

Contract receivables	330	487
Total non-current receivables	330	487
Of which receivable from NHS and DHSC group bodies:		
Current	8,735	17,983
Non-current	-	-

Note 14.2 Allowances for credit losses

	2020/21	2019/20
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 April - brought forward	653	1,298
New allowances arising	265	109
Reversals of allowances	(99)	(513)
Utilisation of allowances (write offs)	(53)	(241)
Allowances as at 31 Mar 2021	766	653

Note 15 Cash and cash equivalents**Note 15.1 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	14,216	4,402
Net change in year	12,698	9,814
At 31 March	26,914	14,216
Broken down into:		
Cash at commercial banks and in hand	94	23
Cash with the Government Banking Service	26,820	14,193
Total cash and cash equivalents as in SoFP	26,914	14,216
Total cash and cash equivalents as in SoCF	26,914	14,216

Note 15.2 Third party assets held by the Trust

The 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 £000	31 March 2020 £000
Bank balances	1	1
Total third party assets	<u>1</u>	<u>1</u>

Note 16 Trade and other payables

	31 March 2021 £000	31 March 2020 £000
Current		
Trade payables	4,543	9,868
Capital payables	9,816	8,556
Accruals	17,417	8,987
Social security costs	2,087	1,733
Other taxes payable	1,680	1,524
Other payables	1,561	1,580
Total current trade and other payables	<u>37,104</u>	<u>32,248</u>

Note 17 Other liabilities

	31 March 2021 £000	31 March 2020 £000
Current		
Deferred income: contract liabilities	1,652	1,516
Total other current liabilities	<u>1,652</u>	<u>1,516</u>
Non-current		
Deferred income: contract liabilities	518	523
Total other non-current liabilities	<u>518</u>	<u>523</u>

Note 18 Borrowings**Note 18.1 Borrowings**

	31 March 2021 £000	31 March 2020 £000
Current		
Loans from DHSC	214	134,969
Total current borrowings	<u>214</u>	<u>134,969</u>
Non-current		
Loans from DHSC	-	213
Total non-current borrowings	<u>-</u>	<u>213</u>

Note 18.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000	Total £000
Carrying value at 1 April 2020	135,182	135,182
Cash movements:		
Financing cash flows - payments and receipts of principal	(134,732)	(134,732)
Financing cash flows - payments of interest	(245)	(245)
Non-cash movements:		
Application of effective interest rate	9	9
Carrying value at 31 March 2021	<u>214</u>	<u>214</u>

Note 18.3 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC £000	Total £000
Carrying value at 1 April 2019	120,236	120,236
Cash movements:		
Financing cash flows - payments and receipts of principal	14,901	14,901
Financing cash flows - payments of interest	(2,271)	(2,271)
Non-cash movements:		
Application of effective interest rate	2,316	2,316
Carrying value at 31 March 2020	<u>135,182</u>	<u>135,182</u>

Note 18.4 Analysis of Loans with Department of Health and Social Care

The Trust has 1 loan outstanding with the DHSC, the details of which are contained in the table below

	Loan Value £000	Expiring
Normal Capital Investment Loan	213	2021/22
	<u>213</u>	

Note 19 Provisions for liabilities and charges**Note 19.1 Provisions for liabilities and charges analysis**

	Pensions: early departure costs £000	Pensions: injury benefits £000	Other £000	Total £000
At 1 April 2020	81	180	232	493
Change in the discount rate	12	(38)	-	(26)
Arising during the year	-	16	10	26
Utilised during the year	(15)	(16)	(65)	(96)
Reversed unused	-	-	(107)	(107)
At 31 March 2021	78	142	70	290
Expected timing of cash flows:				
- not later than one year;	15	16	70	101
- later than one year and not later than five years;	44	63	-	107
- later than five years.	19	63	-	82
Total	78	142	70	290

Note 19.2 Clinical negligence liabilities

At 31 March 2021, £128.2m was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Queen Elizabeth Hospital King's Lynn NHS Foundation Trust (31 March 2020: £119.6m).

Note 20 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	1,165	1,068
Intangible assets	-	-
Total	1,165	1,068

Note 21 Financial instruments**Note 21.1 Carrying values of financial assets**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	9,160	9,160
Cash and cash equivalents	26,914	26,914
Total at 31 March 2021	36,074	36,074

Carrying values of financial assets as at 31 March 2020	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	19,581	19,581
Cash and cash equivalents	14,216	14,216
Total at 31 March 2020	33,797	33,797

Note 21.2 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2021	Total book value £000
Loans from the Department of Health and Social Care	214
Trade and other payables excluding non financial liabilities	28,756
Total at 31 March 2021	28,970

Carrying values of financial liabilities as at 31 March 2020	Total book value £000
Loans from the Department of Health and Social Care	135,182
Trade and other payables excluding non financial liabilities	27,649
Total at 31 March 2020	162,831

Note 21.3 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 £000	31 March 2020 £000
In one year or less	28,995	162,625
In more than one year but not more than five years	-	215
Total	28,995	162,840

Note 22 Losses and special payments

	2020/21		2019/20	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	12	4	7	3
Fruitless payments and constructive losses	29	114	18	75
Bad debts and claims abandoned	60	50	18	93
Total losses	101	167	43	171
Special payments				
Compensation under court order or legally binding arbitration award	2	9	2	81
Ex-gratia payments	33	143	17	25
Total special payments	35	152	19	105
Total losses and special payments	136	319	62	276
Compensation payments received		-		-

Note 23 Revaluation Reserve

	31-Mar-21			31-Mar-20
	Land £000	Buildings £000	Total £000	£000
Revaluation Reserve at April 1	916	11,548	12,464	11,614
Transfer	-	-	-	-
Impairments	-	(7,886)	(7,886)	-
Revaluation Gains	-	4,747	4,747	850
	916	8,409	9,325	12,464

Note 24 Related Parties

	Receivables		Payables	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
	£000	£000	£000	£000
Other NHS Bodies	8,735	15,707	3,492	4,757
Other Government Bodies including Local Authorities	848	231	5,855	3,086
Charitable Funds	724	16	-	-
	10,307	16,390	9,437	9,864
	Income		Expenditure	
	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
Other NHS Bodies	254,915	224,574	15,836	13,610
Other Government Bodies including Local Authorities	91	117	35,834	32,015
Department of Health and Social Care	39	46	-	-
Charitable Funds	876	159	-	-
	255,921	224,896	51,670	45,625

List of Related Parties:

Department of Health & Social Care
 HM Revenue & Customs
 NHS Business Service Authority
 NHS Pension Scheme
 NHS England
 NHS Commissioning Board
 NHS Blood & Transplant
 NHS Norfolk & Waveney CCG
 NHS Cambridgeshire CCG
 NHS Lincolnshire CCG
 NHS Suffolk CCG
 NHS Resolution
 Health Education England
 Cambridgeshire University Hospitals NHS Foundation Trust
 Cambridge & Peterborough NHS Foundation Trust
 Norfolk & Norwich University Hospital NHS Foundation Trust
 North West Anglia NHS Foundation Trust
 East of England Ambulance Service NHS Trust
 King's Lynn & West Norfolk Borough Council
 Royal Papworth NHS Foundation Trust
 Norfolk Community Health and Care NHS Trust

The Trust received revenue and capital payments amounting to £876K (£159K 2019/20), as disclosed above, from The Queen Elizabeth Hospital King's Lynn Trust Charitable Fund, the Trustees for which make up the Trust Board.

A copy of The Queen Elizabeth Hospital King's Lynn NHS Trust Charitable Fund Accounts can be obtained on request (01553 613981).

The Trust conducted transactions with other Health Authorities and NHS bodies, which individually are not regarded as material, during the normal course of the Trust's activities.

Note 25 Financial risk management

International Financial Reporting Standard 7 and International Accounting Standard 32 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 Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the Trust 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 Trust 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 the 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 Auditor's.

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

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 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, 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 risk.

Note 26 Contingent Liabilities

The Trust has no contingent liabilities nor contingent assets.

Note 27 Events after balance sheet date

There have been no material post balance sheet events.

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The Queen Elizabeth Hospital
King's Lynn
NHS
NHS Foundation Trust

**Main Hospital
Entrance**

**Emergency
Department**

Rehabilitation & Ophthalmology Entrance →
Accident & Emergency
Entrance 30 metres

No Smoking

Main Hospital
Entrance



SECTION 4

Glossary.....172

GLOSSARY

A

Accountability - the requirement for organisations to report and explain their performance.

Acute - describes a disease of rapid onset, severe symptoms and brief duration. The majority of hospital services provided by QEH are for acute illnesses.

Admission - the point at which a person enters hospital as a patient.

Agency staff - staff working at QEH but employed by a private recruitment agency.

B

Bank staff - staff who are available for short-term or flexible work to help manage vacancies more effectively.

Best practice - a way of working that is officially accepted as being the best to use.

C

Caldicott Guardian - a senior person responsible for protecting the confidentiality of patient and service-user information and enabling appropriate information-sharing. Each NHS organisation is required to have a Caldicott Guardian.

Capital expenditure - the money allocated for buildings, equipment or land, also known as fixed assets.

Care Quality Commission (CQC) - the independent regulator of health and social care in England. The CQC regulates care provided by the NHS, local authorities, private companies and voluntary organisations.

Clinical Commissioning Groups (CCGs) - the NHS organisations responsible for planning and funding the majority of healthcare.

Clinical outcomes - the end result of a medical intervention, such as survival or improved health.

Clostridium difficile (C. diff) - a healthcare-associated intestinal infection that mostly affects elderly patients with other underlying diseases.

Commissioning - the process of identifying the needs of local people and funding services to meet those needs; commissioning is done at a number of different levels in the NHS, but the majority of services patients receive are commissioned by the Clinical Commissioning Group for their local area.

Community care - long-term care for people who are mentally ill, elderly, or disabled which is provided in the patient's own home, in a residential or care home rather than in hospitals.

Commissioning for Quality and Innovation (CQUIN) - a system of reward payments made by commissioners to hospitals to encourage better experience, involvement and outcomes for patients.

D

Dementia - describes a set of symptoms that may include memory loss and difficulties with thinking, problem-solving or language. Dementia is caused when the brain is damaged by diseases, such as Alzheimer's Disease or a series of strokes.

Discharge to Assess - enabling patients to be assessed for their longer-term health and social care needs at home or in the community, rather than waiting for this to happen in hospital.

E

Early Warning Score (EWS) - a categorisation that uses data taken from routine patient observation to calculate a score indicating potential severity of illness and to act as a prompt to nursing staff to request a medical review at specific trigger points. (PEWS is a specific type of early warning score designed to assess children.)

Elective care - care that is planned. This is usually where the patient is referred by their GP or other healthcare professional. Appointments, treatments and admissions to hospital will be confirmed in advance.

Elective surgery - an operation that is planned ahead and for which the patient will be given a date to be admitted to hospital.

Emergency Department (ED) (also known as Accident and Emergency) - the department specialising in the care of patients with life-threatening or life-changing needs, which require immediate, specialist care.

Equality and diversity - equality is about creating a fairer society where everyone can fully take part. It means giving people an equal opportunity to have their individual needs considered and met, in recognition that society comprises different people with different needs at different times. Diversity is the positive recognition of difference.

End of Life Care - ensuring that the care people receive at the end of life is compassionate, appropriate, and gives people choices regarding where they die and how they are cared for. Care is co-ordinated across health and social care services.

E-observations - a digital system for recording vital signs of a patient (such as blood pressure, temperature and heart rate). Often using a

mobile device to collect and store patient observations, creating a set of information that can assist in making clinical judgments. This can help indicate signs of deterioration, for example sepsis and acute kidney injury.

F

Financial control total - the maximum amount of deficit or surplus that an NHS organisation is required to achieve. This amount is set by NHS Improvement and agreed with each organisation, or as part of the wider health and care community.

First attendance - the first or only time a patient attends hospital after being referred by their GP or health professional.

Follow-up attendances - the second and subsequent times patients attend hospital for assessment, diagnosis or treatment as an outpatient.

Foundation Trust - see 'NHS Foundation Trust'.

'Friends and Family' Test (FFT) - the national patient satisfaction programme which gives every patient the opportunity to feedback on the quality of their care.

Full-time equivalent (FTE) - the measurement and calculation of total staff numbers, using a standard working day. Also known as whole time equivalent (WTE).

G

Getting It Right First Time (GIRFT) - the Getting It Right First Time (GIRFT) programme aims to bring about higher-quality care in hospitals, at lower cost, by reducing unwanted variations in services and practices

H

Health Scrutiny Committee/Overview and Scrutiny Committee - a function of local councils in England. The committee has the responsibility to review policies, decisions and services in their own council and in other organisations, including the NHS, which may impact on local residents.

Healthcare Assistant (HCA) - staff who work under the guidance of a qualified healthcare professional, usually a nurse. Sometimes staff working in HCA roles are known as nursing assistants, nursing auxiliaries or auxiliary nurses.

Healthwatch Norfolk/Peterborough - the local service affiliated to Healthwatch England, the national consumer champion in health and care. They have statutory powers to ensure the voice of the consumer is strengthened and heard by those who commission, deliver and regulate health and care services.

Hospital Standardised Mortality Rates (HSMR) - an indicator of healthcare quality that measures if the death rate at a hospital is higher or lower than you would expect. The HSMR compares the expected rate of death in a hospital with the actual rate of death. Factors such as age and severity of illness are taken into account.

I

Information Governance - the set of multi-disciplinary structures, policies, procedures, processes and controls implemented to manage information to ensure an organisation's regulatory, legal, risk, environmental and operational requirements.

Inpatient - a patient who is admitted to hospital for a period of treatment or to undergo an operation. Inpatients are those that stay in hospital for 24 hours or more.

Integrated Care System (ICS) - new developments in NHS care which bring together commissioners and healthcare providers to plan and deliver care without organisational and financial boundaries.

Integrated discharge - planning and managing a patient's discharge from hospital across all services and all part of the hospital.

Intervention - any measure to improve health or alter the course of disease.

L

Locum staff - nurses and doctors employed by the NHS on a temporary, fixed-term basis.

M

Methicillin Resistant Staphylococcus Aureus (MRSA) - is a type of bacteria that is resistant to a number of commonly used antibiotics. It lives on the skin and is mostly harmless unless it gets deeper into the body, for example, if it gets into a wound or where the skin is broken.

Model Hospital - a digital information service designed to help NHS providers improve their productivity and efficiency by comparing and benchmarking performance against peers/other centres.

N

National emergency access standard - a national standard for all Emergency Departments/Accident and Emergency Departments. The standard measures the number of patients seen, admitted or discharged within four-hours; hospitals are expected to achieve 95%. It is often known as the 'four-hour' standard.

National Patient Survey - ensures patients and the public have a real say in how NHS services are planned and developed. Getting feedback from patients and listening to their views and priorities is vital for improving services. All NHS Trusts in England are legally required to carry out local surveys asking patients their views on their recent health care experiences. There are inpatient, maternity and outpatient surveys.

Never events - serious, but largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

NHS Improvement - is responsible for overseeing NHS Trusts, as well as independent providers that provide NHS-funded care. It has recently merged with NHS England and is often referred to as NHS Improvement/England.

NHS Trust - a statutory, self-governing NHS organisation providing healthcare services. NHS trusts - and NHS Foundation trusts - provide the majority of hospital, mental health and ambulance services. Their income is derived from service agreements and contracts with clinical commissioning groups or, for some highly specialist services, NHS England. They have freedom to decide staff numbers and rates of pay and some powers to invest and borrow money.

Non-elective care - is provided when the patient is assessed as needing treatment or hospital admission urgently or in an emergency.

Non-Executive Director - a member of the Trust's Board of Directors who is not part of the Executive Team. A Non-Executive Director typically does not engage in the day-to-day management, but is involved in policy making and planning exercises. In the NHS Non-Executive Director appointments are managed by NHS Improvement. Non-Executive Directors have voting rights on the Board.

O

On-the-day cancellation - refers to a planned operation that is cancelled on the day the patient was due to arrive (at hospital), after the patient has arrived in hospital or on the day of the operation if the patient is already in hospital.

Overview and Scrutiny Committee - see Health Scrutiny Committee.

P

Palliative care - services for people living with a terminal illness where a cure is no longer possible. Palliative care aims to treat or manage pain and other physical symptoms. It will also help with any psychological, social or spiritual needs.

Parliamentary Health Service Ombudsman (PHSO) - the Ombudsman makes final decisions on complaints that have not been resolved by the NHS in England and UK government departments and other public organisations.

Pathway of care - the planned and most efficient way to provide care from referral to diagnosis, treatment and follow-up care. Pathways are in place for most common diseases and conditions, using evidence based practice to determine the best way for patients to be seen and treated.

Patient Administration System (PAS) - computerised system to record non-medical patient details such as name and address as well as appointments/visits to the hospital.

Patient Advice and Liaison Service (PALS) - provides information, advice and support to help patients, families and their carers. Patient experience - the experience a patient has in our hospitals, whether as an inpatient or an outpatient. This includes not only the care received

Patient experience - how it feels to be an inpatient or an outpatient. This includes not only the care received, but also aspects such as the hospital facilities and the patient's comfort throughout their visit.

Patient flow - the different elements that make up a patient's progress through the hospital system from referral through to diagnosis, treatment and discharge. This includes all of the staff, departments and organisations who are involved in providing the end-to-end care.

Provider Sustainability Fund (PSF) - national bonus monies allocated to Trusts by quarter based on performance versus plan, including financial plan and emergency access performance. Previously called Sustainability and Transformation Fund.

Public Sector Equality Duty - the public sector's legal duty to eliminate discrimination, advance equal opportunities, and foster good relations, and publish data on progress.

Q

Quality Account - every NHS Trust is required to publish a Quality Account, setting out how we continue to improve the quality of services we provide covering three key areas: patient safety, clinical effectiveness and patient experience.

Quality assurance - the maintenance of a desired level of quality in a service or product, especially by means of attention to every stage of the process of delivery or production.

Quality Innovation, Productivity and Prevention (QIPP) - a large-scale programme to drive forward quality improvements in NHS care, at the same time as making healthcare more efficient.

Quality governance framework - a set of standards for Trusts to continuously monitor themselves against.

R

Radiology - is the science that uses images to diagnose and in some cases treat diseases. It is a general term which covers X-ray, CT and MRI scans.

Re-admissions - the number of patients re-admitted as an emergency within either 7 or 28 days of being discharged following previous treatment.

Resilience - the ability of an organisation to adapt and respond to disruptions, whether internal or external, to deliver organisationally agreed critical activities.

Respiratory - the specialty which deals with illnesses and conditions affecting breathing.

Referral to Treatment (RTT) - national maximum waiting times set out in the NHS Constitution from the point a patient is referred to hospital by their GP.

S

Safety culture - the attitude, beliefs, perceptions and values that employees share in relation to safety in the workplace. Safety culture is part of organisational culture; a positive safety culture is a key part of improving the quality of care.

Staff engagement - encouraging staff to be committed to their organisation's goals and values, motivated to contribute to organisational success, and enhance their own sense of job satisfaction.

Single Oversight Framework (SOF) - sets out how our regulator NHS Improvement oversee NHS Trusts and NHS foundation trusts, helping to determine the level of support they need based on a range of performance measures.

Sustainability and Transformation Partnership (STPs) - joint health and social care partnerships for improving the health of local people through joined-up working and the development of new models for providing services. There are 44 partnerships across England including the one for Nottingham and Nottinghamshire, which includes NUH. Now called Intergrated Care System. See ICS.

Sustainability and Transformation Fund (STF) - a national budget to support the development of NHS services, set up in 2015. It is allocated to hospitals based on their achievement of a number of specific targets. Now called Provider and Sustainability fund. See Provider Sustainability Fund.

T

Tertiary care - there are three levels of healthcare in the NHS: primary care (the first point of contact for patients including GPs, dentists, pharmacists and opticians); secondary care (specialist services, often provided by a hospital, that patients are referred to from primary care); and tertiary care which is further specialised treatment and care provided by professionals with specific expertise in a given field, for example neurosurgery, cardiac surgery and cancer management.

Tertiary referrals - referrals for specialist care from consultant to consultant. These can be within the same hospital/service or between different hospitals and services.

V

VTE - Venous Thromboembolism is a condition in which a blood clot forms, most often in the deep veins of the leg, groin or arm (known as deep vein thrombosis, DVT) and travels in the circulation, lodging in the lungs (known as pulmonary embolism).

W

Waiting times - the period that a patient may wait before being seen at a routine appointment or for admission to hospital. The standards and maximum waiting periods are set nationally under the NHS Constitution.

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